THE CHINA WEEKLY REVIEW

Christmas Number

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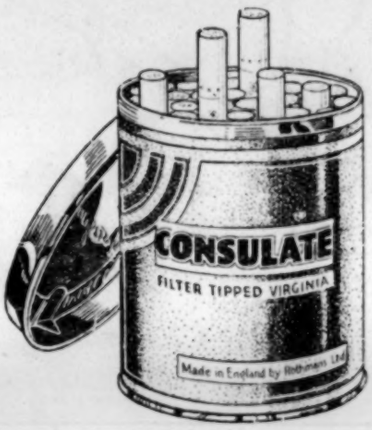

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CHRISTMAS—1936

ON Christmas Day throughout the world, and more especially in those portions known as "Christian", there will be celebrations in commemoration of the birth of the meek and lowly Galilean. Nineteen hundred and some odd years ago (historians have not quite agreed on the exact year), the harbinger of Peace first saw the light of day in Bethlehem.

As the saying goes, "Much water has rolled under the bridge" since that day, but the peace and understanding which He was to bring to mankind seems as far away as ever. Perhaps no fault can be found with the message—merely with its application. Mankind, individually and *en masse*, learns incredibly slowly. Here and there voices have cried in the wilderness, but few of them have been heard, much less understood. What men has history chosen to deify? Not those who spoke of peace, of tolerance, of understanding among peoples—rather do we glorify the great warriors who left misery and degradation in their paths. During their lives these men of peace knew every hardship—their brothers of the sword, the world's acclaim.

And today, as we look out on this world on Christmas Day, what have we learned from the lessons of the past? Great numbers crowd the churches to hear priest and pastor sermonize. How many of these, most of whom who do not attend church at other times of the year, take away anything of permanent value to themselves or to the world in general? If history teaches us anything it would seem the permanent benefit is exceedingly small. In Germany Hitler thunders against the arch enemies of "Aryanism", the Jews, ironically oblivious, apparently, of the fact that Jesus was a Jew. Mussolini, self-appointed heir to the Caesars, contently looks toward Ethopia, a land well-stained with the blood of countless innocent Abyssinians and misguided Italians; and he rattles the sword at his side, presaging future wars for Italy's "honor". France talks vainly of "security" for

Frenchmen, while across her borders in Spain brother fights brother in history's most gruesome civil conflict. Russia arms to protect her borders, Germany and Japan enter an alliance against "Communism." A crisis arises between China and Japan, the Japanese War Office issues innumerable statements regarding "the protection of lives and property" of Japanese subjects. They regularly question China's "sincerity" in stamping out anti-Japanese propaganda, propaganda which would never have existed if it had not been for Japan's actions. Every country points the finger of accusation at the other, but none of them are without guilt themselves. "Good will among men" is still far from being achieved. Yet Christmas still lives on, and for that day at least much of the world's rancor is forgotten. Let us hope that the spirit of "Peace on Earth" will be eventually permanently established. For the moment, however, we must confess that the prospects are not propitious.

KEEPING FAITH IN CHINA

THESE are times when the Chinese people and foreign sympathizers of China's cause must keep their faith in the Nanking Government because the Government is showing every indication of keeping faith with people.

Even the most God-fearing man sometimes may be visited with a fleeting doubt of the wisdom of some of His handiwork on earth. The founder of Christianity in the Garden of Gethsemane, asked God why he should be placed in such agonies. Anyone with wholesome and devoted faith in anything, whether it be a cause like Communism, a philosophy like Universal Love, a doctrine like Hedonism, a government like China or a chocolate bar like Hershey's, must have moments when the object of this faith seems something less than perfect. We can smile when we hear the small boy define faith as "believing in something you know ain't true."

It is easy enough for diehard foreigners to edit magazines which snip like puppy dogs at the heels of officials who are earnestly endeavoring to bring order out of chaos. It is easy enough for effeminate young Chinese to sit around dance-halls and sing-song houses, while their bejewelled wives sit around mah jongg tables, criticizing and disparaging anything and everything the national, provincial or local authorities are doing to transform China into a unified, powerful, patriotic nation capable of maintaining "peace within, security from without."

It is not easy, however, for patriotic Chinese and sympathetic foreigners to clearly understand all the decisions reached and the actions taken by the constituted Chinese authorities, and that is where a good dose of "faith" is needed. Intelligent people cannot be like the diehard *wai kuo jen* or the insipid *chung kuo jen* mentioned above; they refuse to believe everything is bad about the Chinese Government, just like they refuse to believe everything is perfect. Bureaucracy, squeeze, nepotism, favoritism and inefficiency are far too prevalent in the National Government as well as the provinces for anyone except the most chauvinistic propagandist to declare that China has achieved the status of paradise.

Yet intelligent people today can see that the Chinese Government of today is not the Chinese Government of even a year ago. There can be little doubt remaining now that China is preparing to resist further agression upon her administrative or territorial rights. China has adopted her own "continental policy" and woe unto the one who dares attack these by military force. The way it appears now no country can inflict further humiliating defeats upon China without the use of a powerful army and navy in actual combat. In war with China, Japan would lose, even if she wins.

The new spirit of independence and the assertion of national honor in unequivocal terms has generated a new faith in China's national leaders which is daily becoming more steadfast, but incidents have arisen and will arise to test the faith of those half-hearted ones who have not yet caught the new spirit.

The arrest of the seven patriotic Chinese leaders of the All-China National Salvation Association on charges of "operating illegal organizations, co-operating with Communists, instigating labor, student and general strikes and other subversive activities with the ultimate aim of overthrowing the Government," is one of such incidents. This woman and the seven men are so well known not only in Shanghai but in all China for their patriotic activities that their sudden arrest has caused many a true Chinese patriot to wonder and many a sincere foreign Chinese-sympathizer to doubt.

Still, there must be some special reasons why this group are selected by the authorities for arrest and trial on such serious charges, and these reasons should be made public in the proper time and place, so that the people may know.

It is true that many Communists are fighting the Government under the cloak of resistance to Japan and it is not easy for the layman to differentiate between the true and the false "patriot." Nanking needs unselfish, sincere, enthusiastic men and women to aid in the nationalization of China and she is using them to good advantage in the nationwide patriotic campaign now in progress.

Many national salvation groups in China have received recognition from the National Government during the past year. On the other hand, it is easy to understand why such groups must be

kept under the closest surveillance and why subversive elements must constantly be weeded out to keep the whole groups pure. Dr. Sun Yat-sen carefully points out in the San Min Chi I that many labor leaders are not acting for the best interests of the workers "and have used the workers as tools for their own selfish profit", and he urges the workers to distinguish the true colors of their leaders. Regarding the patriotic student demonstrations in the days of which he wrote, Dr. Sun declared "Young Chinese when they talk about liberty break down all restraints. Because no one welcomes their theory in society outside, they can only bring it back into their own schools, and constant disorders and strikes result. This is abuse of freedom."

It is needless to point out that Dr. Sun was not condemning all strike leaders and agitators, and all patriotic student movements, but he very definitely stated that the motives of labor strike leaders and student leaders must be closely examined and greatest precaution must be taken to prevent these activities from getting out of control. Foregn substances introduced into these oysters will produce, not pearls, but cancers.

China, whether she is driven into war or not, is going to face many long bitter years of labor struggles as the workers fight and die for their minimum rights such as abolition of physical maltreatment, ten hour shifts, maternity benefits for women workers, holidays and livable wages, as laid down by the Central Factory Inspection Bureau of the Ministry of Industries. It is hardly to be expected that the various industries will accept these factory regulations promulgated by the Government without a stiff fight. The workers will require honest, courageous leaders whose motives are pure, and if the Bureau of Public Safety sees fit to examine into the motives and background of labor leaders now and then, good may come of it.

The mill operators naturally will attempt to pin the Red label on every successful labor leader in an effort to secure his removal—or obliteration—by means of constituted authority. Japanese operators will do the same where Japanese mills are affected. A fair investigation by the police authorities and a fair trial by the courts should establish the truth or falsity of the charges. The arrest and detention pending investigation and trial may be unjustified in view of the facts later revealed, but men and women who enter into industrial strife must know they are not entering a life of pink teas and parlor games.

The seven members of the All-China National Salvation Association are charged with creating labor disturbances "with the ultimate aim of overthrowing the Government," which is treason, but the authorities, we have every reason to expect, will discover the truth and act accordingly. It is to be deeply regretted that these kind of incidents must occur but they are bound to be repeated many times during the coming years.

The vigorous and often cruel action taken against the Peiping student strikers earlier this year and last year was another example. Then the students were being disciplined by clubs and guns in the hands of police and the Japanese were standing behind the scenes prodding the authorities into further excesses. Such activites only widen the gap between the Government and the people, but there are strong indications that those days are gone forever and that the authorities aim to direct this enthusiasm and patriotism into useful channels, for the salvation of the nation, providing no subversive elements intrude.

REFERENCES TO "PESSIMISTIC OUTLOOK" NOT JUSTIFIED

THE press generally refers to the Sino-Japanese negotiations as having a "pessimistic" outlook when the Chinese Foreign Minister and Japanese Ambassador are unable to reach an agreement on the numerous demands presented by Japan.

There is a large section of opinion, however, which holds that the outlook is optimistic so long as the Chinese Government clings to its original stand that China's territorial and administrative integrity be maintained and flatly rejects the Japanese demands which would make a vassal state of this country.

If there were indications that Nanking was about to accept the insolent Japanese demands for "cooperation" against the Communists or designation of North China as a "special area" under Japanese control, then the outlook might be described as "pessimistic", but not otherwise.

China has a long record of diplomatic and military defeats, starting with the first appearance of the foreigner in the Far East and continuing until the diplomatic retreats in Hopei two years, even a year, ago. Now there has come an end to this policy. Dr. Sun Yat-sen pointed out that there are two ways in which political force can destroy a nation; through military power and through diplomacy.

"Military force means the use of cannon and gun, which we have some idea how to resist; diplomacy means the demolishing of China with paper and pen . . . Hereafter the enemy need not send their war vessels or move their armies. Just a paper and pen and a mutually satisfactory agreement will spell our ruin."

So long as the Chinese Government adheres to its present courageous policy, the Chinese people will rejoice and will prepare for resistance.

Formerly the Japanese militarists, when they wanted to present a number of demands upon the

Chinese Government, would create some sort of an incident which would "require the presence of the Army (or Navy) for the protection of Japanese nationals." With this military display and visible threat of violence in the background, the military diplomats and the diplomatic militarists would strike with their "suggestions" and demands. This plan never failed, for many long years.

During the past six or eight months, these tactics have failed not once, but several times, and the Japanese have been thrown into consternation. The time-worn custom failed to work and will never work again, but it will take the Japanese a long time to realize it because that method is carefully explained in the book. The Japanese militarists always do what it says in the book.

Foreign Minister Chang Chun told Ambassador Kawagoe that their negotiations were being rendered difficult by the Japanese-inspired attacks upon Suiyuan. Japanese officials counter with the charge that the Chinese are using the Suiyuan hostilities as an "excuse" for refusing to accept the Japanese demands or even reach any definite conclusion. Admiral Chen Hung-lieh, Mayor of Tsingtao, bluntly told Japanese Consul Monwaki that there could be no settlement of the Tsingtao dispute until the Japanese bluejackets were withdrawn.

China has pursued a policy durng the past several months, since those counter-demands were first presented to China, that has completely flabbergasted the Japanese and somebody will have the come along now and write a few more chapters for the book. They will have to write that the day when Chinese officials were suffering from "fear-of-Japan sickness" is gone and China no longer cowers at the howling of the Japanese dogs of war. In the old days, Chinese said, "The princely way to win the barbarians over is by honeyed words," but present leaders are more practical.

Stunned by the new change in China, the negotiations have been halted while the Japanese leaders go into a huddle and consider what steps should be taken next.

Mr. Kawagoe has been very busy explaining the so-called "partial agreement" reached regarding establishment of direct air traffic between China and Japan, control of Korean revolutionaries in China, employment of Japanese advisers, suppresion of anti-Japanese activities and revision of anti-Japanese texts in school books. First he attempted to force a memorandum upon Mr. Chang covering these points which he said had been agreed upon in their negotiations and when that failed, the Ambassador told the press that these points had been settled and Japan would take "adequate steps" if the Chinese failed to keep their promises.

The Waichiaopu, in a statement issued by the official spokesman on December 6, set forth the Chinese position fully, and the *Central News* obtained from "unimpeachable sources" a full denial of Ambassador Kawagoe's statements, together with an explanation of just exactly what did occur and what was settled prior to suspension of the negotiations.

Japan has only two political alternatives regarding her relatons with China. She may either attempt to enforce her demands and her threats, which inevitably will lead to a Sino-Japanese War and possibly another world conflagration, or she may make a diplomatic retreat from her present dangerous position, possibly even returning to the moderate policies of wise, peace-loving Baron Shidehara who clearly foresaw that there could be no true and enduring peace in the Far East so long as Japan and China distrusted and hated each other, and that this distrust and friction would continue as long as China was not treated as an equal and honorable nation. Unfortunately, Shidehara's dreams were wrecked by the Kwantung Army warlords and his term as Foreign Minister will go down in history as one of the bloodiest in Sino-Japanese relations.

There is widespread opinion, in both China and Japan, that peace and harmony could be established on a basis of genuine equality and reciprocity if Sino-Japanese relations were left entirely to the Foreign Office. No matter how sincere the current Government in Japan may be, there will always arise a new Araki to announce that "We are the descendants of the Gods, and we must reign over the world," and attempt to put this belief into effect.

Liquidation of Japan-China Policy, Aid to Unification Urged

Japan's China policy of bygone days should be liquidated and replaced by one of assistance towards the creation of a unified nation of the Chinese people, the Social Masses' Party said in a manifesto issued in Tokyo Dec. 16.

The declaration deplored the Sian rebellion and expressed the sympathy of the party towards the Chinese people.

"We believe that a policy of friendliness in economic, political and cultural fields, based upon the urderstanding of the two peoples, is the only course that our country, which has assumed the self-imposed task of leading the East, can take," the statement read.

"The recent military revolt in Sian is a great tragedy in the life of China which was on the way to become a modern nation," the manifesto said. "We cannot but sympathize with the people and the masses of China.

"The spread of the revolt to the entire Chinese nation and the creation of a situation where the former military cliques should again fight each other, is a prospect which our country cannot relish.

"Moreover, should this revolt mark the beginning of a policy of co-operation with the Communists, the ravages we may suffer may be great.

"We believe that this commotion gives Japan a chance to change her policy to make it compatible with new conditions in China.

"We demand at this time a liquidation of our past China policy and the adoption of measures designed to aid the establishment of a unified nation of the Chinese people," it added.

Japanese Press Urges War With China

BELLIGERENT editorials appearing in the *Tokyo Nichi Nichi* and the *Osaka Mainichi* during the past week demand that Japan cease useless "diplomatic transactions and bargains" and resort to "military force, which is the *real power*".

Apparently, Ambassador S. Kawagoe did not fool the Japanese press as much as he thought when he told them that Foreign Minister Chang Chun had accepted a number of the Japanese demands and when he denied that the Sino-Japanese negotiations were completely ruptured.

"All we received from China were rejection and insincerity," the newspapers wail. "The negotiations have finally ended in a rupture. The Chinese have made the Japanese proposal well-nigh impossible to realize. That means we must choose one of two courses, namely, a general retreat, bowing to the Chinese, or the forcing of our plan on China . . . by the use of real power."

Between diplomatic retreat and war, there can only be one answer, the *Nichi Nichi* says, that is—war. In looking back over the history of Sino-Japanese relations, these newspapers find that Japan's gains in China have been attained always by the use of real power, military force, and that diplomatic negotiations have never achieved much for Japan.

"Notwithstanding this plain truth, Japan tried to gain her ends through diplomatic channels alone, without the backing of military force, by renouncing the real power. Isn't that the cause of our present predicament?".

The *Nichi Nichi* and *Mainchi* answer affirmatively and declare that Japan must now "stand on realities" and reject all "halfway compromises" with China.

This series of editorials pay unconscious tribute to the sagacity, leadership and courage of General Chiang Kai-shek and the new-found strength and unity of the Chinese Government. They admit that hatred of Japan and determination to resist Japanese aggression at all costs has been the greatest single unifying force in China and has made it "possible for General Chiang to expedite the unification of China smoothly." This common cause among Chinese is so firmly entrenched, the editorials declare, that mere diplomatic negotiations will never halt this fast-growing sentiment among all Chinese.

Further delay in the use of military force against China, it was stated, will merely make it harder for Japan to subdue China because "the Nanking Government grows stronger day by day" because "General Chiang's *real power* speaks."

The *Tokyo Nichi Nichi* and *Osaka Mainichi* voice the feeling of insecurity which Japanese have been feeling in North China during the past six months, or ever since the unification of China through adhesion of the Liangkwang provinces to the Central Government. There was a time early this year when Japan felt safe in believing that Nanking had sacrificed Hopei and Chahar and the Japanese need have no fear of any move on the part of Gen. Chiang to recover complete administrative and territorial rights there.

"Take up the North China question alone, isn't General Chang's measure for the restoration of his prestige and power proving successful? In the face of this reality, what real benefit would there be even if we had a special status for North China stipulated in a treaty? We ought to ponder on the situation more carefully . . . ."

Another remarkable feature of these editorials which were printed on the front pages of the two sister newpapers was the revelation that Japan's present demands are merely the beginning so that "even if both nations should reach an agreement, it would not be of a nature enabling them to effect a fundamental readjustment of their relations. To be frank, success or failure under such circumstances has become a matter of no consequence. Nevertheless Japan persevered and took the trouble of continuing the almost futile negotiations for the simple reason that we saw a gleam of hope for the ultimate solution of the larger issues after disposing of the minor questions. Even that has now become impossible."

The "trivial, inconsequential points" on which further "dillydallying conversations" are useless, are quoted by *Domei* as follows;

1. Establishment of direct air traffic between China and Japan.
2. The revision of China's import tariff.
2. The control by the Chinese Government of unlawful activities of Koreans.
4. The employment of Japanese advisers, and
5. The suppression of anti-Japanese activities and revision of Chinese school textbooks.

If the Chinese Government will not accept these "minimum and unimportant demands" which are merely a starting point for further demands, then Japan should force her entire set of demands down China's throat with a bayonet, the newspapers imply.

Other newspapers and officials echo the sentiments of these two leading Japanese newspapers but have not spoken with such blunt words. Ambassador S. Kawagoe, we are given to understand by the Japanese press, is lucky if he is not recalled to Tokyo because of his failure to "convince China of Japan's sincerity."

Impatience is expressed in official quarters on the delays caused by China's refusal to continue the negotiations on the basis of Japan's "reason-

able and minimum demands" using the Japanese-inspired Mongol attack on Suiyuan as an "excuse".

Domei quotes "some members of the House of Peers" as saying that the Government should be subjected to a barrage of questions on Sino-Japanese relations.

"These members, it was learned, also opine that a resolution urging reformation of the diplomatic policy should be presented to the Government. Various parties in the Upper Chamber, who are taking a serious view of diplomatic issues, are opposed to the compromising policy. They say that the country's future will be affected if the Government does not take measures designed to break the situation."

The whole question sums up to the fact that Japan is fast growing afraid of the increasing military strength of the Chinese Government and the growing desire of the Chinese people to resist further humiliating administrative losses and territorial thieving. Japan, they feel, must strike and strike quickly if she is going to conquer China at all. Japan could defeat China now, they feel, but every minute and every hour of the day China becomes more united in common cause and more powerful in every way—Chang Hsueh-liang's emeute to the contrary notwithstanding.

General Chiang Detained at Sian by Coup of Chang Hsueh-liang

FROM whatever point of view it is considered, the Sian mutiny—a detailed account of which appears elsewhere in this issue of the *Review*—can not but be deeply deplored. It is particularly regrettable that it should have occurred at a time when the country is desperately in need of unity for organized and effective resistance against external menace. Whatever might be its outcome, it appears inevitable that the progress of the military operations so successfully prosecuted by the Suiyuan forces against the alien-supported irregulars and bandits in Inner Monogolia will be retarded. Unless the mutiny is speedily and effectively liquidated within the shortest possible time, more serious consequences might follow. Otherwise there is imminent danger that the country may again be plunged into another disastrous civil war. Already fighting is reported to have broken out in Shensi between the mutineers and the government troops and is rapidly extending to Lanchow, the capital of Kansu province. If the fighting can not be localized, it is bound to have repercussions in other parts of the country. China can ill afford to have internecine warfare at any time; much less so at this moment. Whether she can be spared from another disaster depends entirely on the sense of patriotism of the mutineers who are now holding the fate of the country in their hands.

The news of the mutiny came as a shock to the entire country. It is indeed astonishing that General Chang could have acted as he did. While the situation still needs to be further clarified, two facts are established beyond all doubt, viz., that General Chiang Kai-shek has been made a prisoner at Sian and that General Chang is chiefly responsible for this action. The only consoling feature in this ugly situation is that General Chiang has not been harmed—as was feared upon receipt of the first news of the mutiny last Saturday evening.

It seems to be beyond all comprehension what General Chang can possibly hope to gain by a *coup* staged against a man who deserves well of the nation and to whom he more than anybody else owes much in life. Whatever may be his motive, however plausible his complaint, his audacity in placing in jeopardy the life of his official superior and the highest military authority of the nation can not but alienate from him any sympathy he might otherwise have won from the public. With all his bitter experience in life, it seems that he should have acted more wisely than he has apparently done.

It has been an open secret that differences have long existed between General Chiang and General Chang over the issue of co-operation with the Chinese communists. General Chiang has right along insisted on carrying on the anti-Red campaign to its successful conclusion, while General Chang strongly deprecated such a step and advocated joining hands with the Reds in order to present a united front against the Japanese. Accordingly, his troops have done no fighting against the Reds during the past nine months. What seems to have brought matters to a head was that General Chang, dissatisfied with Chang's inaction, ordered the transfer of his troops from the Northwest to Fukien and appointed General Chiang Ting-wen to succeed him as Commander-in-Chief of the Communist-suppression Forces. These acts, it is said, were the last straw on the camel's back and precipitated the crisis.

Whether the Government should co-operate with the Reds or not is a problem on which opinions vary. Of course it would be to the advantage of China to consolidate and conserve her entire strength to combat the foreign aggressions. But how to achieve such a consolidation is a matter which should be thoroughly deliberated upon and decided by the Government, taking into consideration the prevailing conditions in the country

and its international relations. Certainly no rash action such as General Chang has taken can possibly bring the country any nearer to the objective. Further, even if General Chang should be convinced that the policy of co-operation with the Reds would advance the cause of the country in resisting Japanese aggression, he can well resort to more respectable means than attempting to force the hands of the Government by flouting its authority and imprisoning the supreme military head of the country. In doing what he did, he has seriously blundered in method and this blunder can not but be fatal to him in the end.

In coping with the crisis, Nanking has taken swift and drastic measures. The Government has issued a mandate, dismissing General Chang from all his posts and ordering his surrender to the Military Affairs Commission for trial and punishment. The seriousness of the situation certainly calls for stern disciplinary action. But in view of the fact that General Chang is still being held captive by the rebels,the Government might do well to show more magnanimity and leniency, lest the safety of General Chiang should be adversely affected. It is gratifying to note that General Chang values highly the services of General Chiang to the country, for he has repeatedly assured the Government of General Chiang's personal safety. This assurance should not be lightly risked, but be taken full advantage of. Therefore it would be advisable that the Government exhaust all possible pacific means for the solution of the trouble before embarking upon punitive military action against the rebels. Any drastic measure on the part of the Government at this crucial moment can only have the effect of driving the rebels to desperation—which apparently would not be conducive to the success of the efforts of extricating the Generalissimo from his present serious predicament.

On Dec. 14, *The China Press* published a well-reasoned and tempered editorial and with the views embodied therein we fully concur. In view of its general interest, it is reproduced (in part) below:

Sian Mutiny May Be Blessing in Disguise

(From an editorial in the China Press, Dec. 14)

The entire nation cannot but deplore the Sian mutiny. According to a *Reuter* report, General Chang Hsueh-liang, until yesterday Acting Commander-in-Chief of the North-western Military Forces, acted as he did "under pressure" from his subordinates. In view of his admittedly cordial relations with Nanking since his return from abroad, some quarters accept this view as within the realm of possibility. In an important interview to the press Dr. H. H. Kung said: "Possibly a few of the military officers under Chang Hsueh-liang's command who have not fully understood the policy of the Central authorities were instigated to violent action by scheming elements." However, whoever is responsible for flouting the authority of the Central Government by attempting to impose upon it individual views not consonant with national policy, cannot be too strongly condemned. They must realize that the "anti-Japanese" banner has been once too often unfurled as a pretext for shielding questionable behavior. The public has refused and will refuse to be deceived. The recent Kwangtung-Kwangsi fiasco is an unequivocal testimony to the determination of the Chinese people as a whole to support the Central Government and abide by its decisions.

We are for unity in China. We are for unified command in military affairs. This position has been repeatedly made clear in these columns on previous occasions when the Southwest revolt threatened the unity of this country. We desire now to make it clear with equal emphasis. The military officers who are responsible for the Sian mutiny cannot be blind to the critical, though gradually improving, international situation China has to face. If they were true patriots, they could not have jeopardized the nation by their astounding action. China is still on the brink of an abyss from which she has, only lately, laboriously climbed out under the leadership of Generalissimo Chiang Kai-shek and the National Government. Any one who causes her to retrogress, for whatever reason, intentionally or inadvertently, is doing an irreparable damage to the country. The earlier this is realized by those who believe themselves to be advocating a "country-saving" policy contrary to or different from that adopted by the constituted authority, the better. We consider it not too tedious to repeat that only in a unified China can we find strength—in unification can we find life. We are nearer to the goal than any time in recent history. On that road no new obstacles must be laid.

Unfavorable international reactions there will certainly be. However, fortunately, the first comment, coming from London, embodies an encouraging note of optimism. Observers from afar are more likely to view the situation in a correct prospective. A well-known authority on the Far East in London is quoted to have said that "This is a bad blow for China but not necessarily fatal." He pointed out that the Government was quite capable of dealing with the situation, even without the guiding hand of General Chiang Kai-shek, and expressed the opinion that the revolt would be suppressed without great difficulty. Events are pointing to this direction. During the temporary absence of General Chiang, Vice-President H. H. Kung has assumed full responsibility for the political affairs of the Government while Generals Feng Yu-hsiang and Ho Yin-ching have been requested to direct military affairs. After the initial flurry, calmness, it is understood, has again reigned in the Capital. Shanghai must maintain equal calmness. Or else, a self-imposed financial panic will only benefit the unscrupulous.

As the Southwest revolt turned out to be a blessing in disguise, so, we hope, the present Northwest crisis will only eventuate in consolidating even further the national bond. The National Government has successfully solved many a crisis during the past eventful decade. We are confident that with a firm hand tempered with tact, it will solve the present situation with equal success and alacrity.

Germany Wants Fewer Japanese Goods

Considerable misgivings were aroused in political circles in Tokyo, Dec. 8, when it was revealed that during a recent interview in Berlin, the Japanese Commercial Attache was requested by the Reich authorities to curb the growing volume of Japanese exports to Germany in order to keep within the limits provided in the German-Japanese trade agreement concluded last November. If Japan was unable to cut down her export, the German Government proposed the alternative of increasing proportionately her own export to Japan, the report from Berlin further stated.

According to the existing trade accord between the two countries, the ratio between German exports to Japan and Japanese exports to Germany is fixed at 4:1. During the past year, however, Japanese exports to Germany far exceeded the quota agreed upon and it was computed that instead of a 4:1 ratio, the actual proportions between German and Japanese exports to each other had been 3:1 or even 2:1. This excess of Japanese exports, it was said, has caused profound discontent in Germany, and prompted a formal representation to the Japanese Government through the Japanese commercial attache in Berlin several days ago. Japan, however, is not expected to accept the German proposals for cutting short her export as it was held that Japan has been purchasing indirectly large quantities of German manufactured goods dumped in China.

Arita Ridicules Idea That Japan is Joining Group of Fascist States

Foreign Minister Arita again publicly denied Dec. 12 that the conclusion of an anti-Communist pact with Germany signified that Japan was drifting towards becoming a totalitarian state. "To us who are aware that our nation has at its head an Emperor of a lineage unbroken through the ages and who realize that our state is based upon a constitution of a dignified character without equal in the world, the insinuation that, in entering into this agreement, we were joining a bloc of Fascist nations, is indeed laughable," he declared. Mr. Arita made this declaration at an open air meeting in Hibiya Park, attended by some 30,000 persons, held to celebrate the conclusion of the agreement on November 25. A lantern parade was held at night.

The agreement, the Foreign Minister said, was designed to safeguard the security of the Japanese Empire in particular, and of East Asia as a whole.

Soviets Rapidly Develop Far Eastern Territory

A recent *Tass* message Khabarovsk states that from year to year the Soviet Far East, occupying a territory of 3,600,000 sq. km., loses the appearance of an uninhabited economically and culturally undeveloped territory. About 2,000,000 people now reside there.

During the past eight years, over 4,500,000,000 roubles were invested in the development of the Far Eastern Territory. This year alone, three milliard roubles are being expended on capital construction. Beginning with 1932—50 new enterprises have been inaugurated; machine-building, coal mining, output of electric power are developing in the Territory. In 1936, the Territory will produce 5,000,000 tons of coal as against 2,000,000 tons in 1932. The "Dalstroy" Trust will give the country this year as much gold as was mined in the four preceding years. During the last two years, 23 new power stations were inaugurated. The Artemgres—the largest power station in the Territory is shortly to begin operating.

New industrial centers are springing up. New industrial cities: Komsomolsk, Birobidian, Sovetskava Gavan, Kolyma, Artem, Suchan, Spassk, Voroshilov, Okha, Surazhevka have been virtually built anew. Komsomolsk, which did not exist a few years ago, has now a population of 60,000 and will in the near future become one of the principal industrial centers in the Far East.

Ninety per cent of the Far Eastern peasant households have been united into 1,433 collective farms; 1,026 thousand hectares are sown to cereals and industrial crops. There are 4,500 tractors and 1,200 harvesting combines working the collective farm fields of the Territory. The harvest yield of agricultural crops is growing, and cattle-breeding is developing.

Kamchatka Now Has Many Fisheries and Canneries

Recent *Tass* messages stated that Kamchatka has the most varied population in all the Far Eastern Territory. There reside Chukchis, Koryaks, Lamuts, Eskimoes, Aleuts, Kamchadals, Yakaghirs and other Northern nationalities. Cattle-breeding is stated to be flourishing upon the excellent pastures, the number of large horned cattle having doubled during the last three years.

Prior to the Revolution, Kamchatka had no industry whatever. Now the coast is covered with fisheries and canneries. Output of oil and coal has begun. A wood-working enterprise has been built in the valley of the Kamchatka River, while a large ship-repairing yard is under construction in Petropavlovsk. The town, once small and dirty, is developing into a big industrial center. The region, which had absolutely no agriculture, now covers its requirements for potatoes and cabbage, and has even been successful in cultivating tomatoes, cucumbers and excellent stawberries.

Soviets Establish Defence Industry Commissariat

The decision of the Central Executive Committee of the U.S.S.R. regarding the formation of an All-Union Peoples Commissariat of the Defence Industry was published last week. Moissei Rukhimovich has been appointed Peoples Commissar of the Defence Industry and Mikhail Kaganovich and Romuald Muklevich his assistants.

In this connection *Pravda* commented:—"The aviation industry, the tank-building industry and all branches of military technique are created anew. During the course of the years of the Stalinist Five-Year Plans, the defence industry of the U.S.S.R. became powerful and a full-blooded organism, possessing all the requisites for its further development. The formation of the Commissariat of the Defence Industry represents a direct result of the development of the entire heavy industry and particularly the defence industry. The time is ripe in order to single out the defence industry into a special Commissariat. This should be done all the more because in the sphere of military technique we must advance at a still greater rate, incessantly perfecting the means of defence.

"We are building, and shall build a large Navy. The Soviet Air Fleet the most powerful in the world, is being armed with new, high-quality planes and along with the training of numerous cadres of pilots strives for supreme quality. The Commissariat of the Defence Industry will serve all these aims. We shall defend the Stalinist Constitution with thousands of airplanes, tanks, powerful artillery and a well-trained and excellent infantry, daring cavalry, battleships, cruisers and submarines."

Soviet Imports to Be Reduced

Soviet imports are to be reduced to a minimum in 1937 declared the Foreign Trade Commissary M. Rosenholz, in Moscow Dec. 11, in pointing out that a completely new organization of the Soviet foreign trade was necessary. Agricultural implements, tractors and motor trucks will no longer be purchased abroad. Soviet Russia, M. Rosenholz declared, was no longer dependent on foreign imports and would restrict them next year strictly to the credit which foreign countries were willing to offer. The fact that the export trade was bound to be influenced by this new policy was realized, but the ultimate gain would nevertheless be greater.

Soviets to Build Their Own "Maginot Line"

The Soviet Russian Government is planning to create a "Maginot Line" similar to the well-known French western fortfications of this name, according to a special report in the London *Star*. These fortifications are to be built as a defence against attack on both the western and eastern frontiers, states the report, which gives their total length as 2,000 miles. They will provide accommodation for no fewer than three million soldiers and their construction is estimated to take five years. The French engineers who planned the French Maginot line will be employed by the Soviet Government as adviser.

Soviet-Japanese Relations Become Further Strained

Further straining of Soviet-Japanese relations was foreshadowed in Tokyo Dec. 15 with the dispatch of instructions to Mr. Shigemitsu to file a stern protest against Moscow's alleged "breach of faith" in revealing the nature of the envoy's conversations with M. Litvinoff. Mr. Shigemitsu and M. Litvinoff, Gaimusho officials said, agreed late last month to make no unilateral disclosures of the nature and progress of their negotiations. This pledge, they said, has been broken by the Soviet Foreign Commissar who gave his version of the conversations to the *Tass News Agency* and foreign correspondents in the Soviet capital. M. Litvinoff declared, "We are not prepared to sign the fishery convention unless the dark clouds hovering over the eastern horizon because of the German-Japanese agreement are dispelled. We do not intend to negotiate on the matter any further until then."

Soviet Russia reserves the right to express a final opinion concerning the Soviet-Japanese Fisheries Convention, Maxim Litvinoff, Soviet Foreign Commissar, informed M. Shigemitsu, Japanese Ambassador, in an interview in Moscow Dec. 15 devoted mainly to outstanding issues between the two countries. M. Litvinoff drew attention to the indignation over the Japanese-German agreement against the Comintern, and said he would inform the Japanese Government when the Soviet decided to sign the convention.

Referring to the establishment of mixed commissions for the demarcation of the Soviet-Manchukuo border, M. Litvinoff declared that the negotiations have been protracted because the Japanese opposed the Soviet proposal that, prior to the formation of commissions, both sides should agree to respect the existing frontier, and also because of differences regarding the composition of the commissions.

Huge Electric Output of Moscow Power Station

In a report addressed to Messrs. Stalin, Molotov and Ordjonikidze, the workers of the Moscow Power Trust, reported this week that by Dec. 11 of the current year the Moscow power stations had accomplished the program of output of electric power of 4,775 million kilowatt hours set for the last year of the Second Five-Year Plan (1937). This exceeds by 20 times the maximum pre-revolutionary output and is double the output of the last year of the First Five-Year Plan.

Korea and Manchukuo Will Build 14 Bridges

The first concrete result of the recent general agreement at Tumen between General Jiro Minami, Governor-General of Korea, and General Kenkichi Ueda, commander of the Kwantung Army, was seen Dec. 10 when the representatives of the Korean and Manchukuo governments signed a protocol in Hsinking regarding the building of international bridges across the border rivers.

Extending the spirit of the recent Tumen conference in which it is understood fundamental principles for Korean-Manchukuo rapprochement were agreed upon between the Governor-General and the Kwantung Army leader, the two Governments are stated to have concluded a contract on a five-year joint program to span the Yalu and Tumen rivers with 14 new big bridges at a cost of 7,000,000 yuan. The agreement is reported to have provided that the expenses for the large-scale construction should be shared equally between the two governments.

New Bank of Manchukuo Will Borrow Heavily in Japan

Working funds of the newly created Industrial Bank of Manchukuo will consist principally of Yen 45,000,000 borrowed from the deposits department of the Japanese Ministry of Finance, it was revealed in Hsinking, Dec. 10.

Anxious to strengthen the ties binding Japan with the Reich, in view of the recent conclusion of the Japanese-German anti-Comintern agreement, the Japanese Chamber of Commerce and Industry in Harbin, Dec. 12 revealed plans for the creation of a Japan-Germany Association.

Manchukuo Institutes Five-Year Gold-Producing Plan

The Manchukuo Gold Mining Company has been making preparations to produce Yen 200,000,000 worth of gold on a five-year plan beginning the next fiscal year, according to a Hsinking message to the *Jiji*.

This company has been extending the field of its operations for some time with the result that every year its production has been increasing thrice-fold. It is understood that by the time the five-year plan is finished, the amount of gold produced throughout Manchukuo will reach some Yen 400,000,000 to Yen 500,000,000.

General Chiang Made Prisoner in Sian Mutiny; Suiyuan Invaders Launch Counter-Offensive

The latest developments in connection with the Sian mutiny are the issuance of a government mandate to launch a punitive expedition against Chang Hsueh-liang and the appointment of War Minister Ho Ying-chin as Commander-in-Chief of the Expeditionary Forces. Meanwhile W. H. Donald has returned to Loyang from a trip to Sian, where he saw General Chiang Kai-shek and received an assurance from Chang Hsueh-liang and his associates that they have no intention to harm the Generalissimo. Mr. Donald predicted that a settlement of the dispute was likely within a few days, unless unforeseen circumstances arose. T. V. Soong, brother-in-law of General Chiang and former Finance Minister, has been summoned to Nanking by the Government and requested to go to Sian to mediate in the trouble. Mr. Soong left Shanghai for Nanking Dec. 17.

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Chang Hsueh-liang Denounces Nanking Government and Demands War With Japan**
2. **Ten Other Government Officials and Army Commanders Detained in Sian.**
3. **General Chiang Safe and Unharmed, Seen by W. H. Donald at Sian.**
4. **Fierce Fighting Reported in Shensi, Central Troops Pushing Near Rebel City.**
5. **Nanking Dismisses Chang Hsueh-liang and Decrees Severe Punishment.**
6. **Government to Pursue Same Foreign Policy as Laid Down by General Chiang.**
7. **T. V. Soong and Feng Yu-hsiang Offer to Go to Sian to Mediate in Trouble.**
8. **Whole Nation Pledges Support to Gen. Chiang and Denounces Chang Hsueh-liang.**
9. **Suiyuan Invaders Capitalize on Sian Mutiny and Launch Fierce Counter-offensive.**

On Dec. 12, General Chang Hsueh-liang staged a surprise "coup d'etat" at Sian, placing General Chiang Kai-shek who is now visiting that city under detention. Immediately after the "coup", General Chang circularized a telegram, denouncing the National Government and General Chiang and urging the adoption of a policy of co-operation with the Communists and an alliance with Soviet Russia to resist the Japanese aggressions. When the news of the mutiny first flashed out, it was wildly rumored that the personal safety of General Chiang was endangered, but later reports from Sian established the fact that General Chiang had not been harmed, although still held captive in Chang's hands. The first definite assurance that General Chiang is safe was contained in a telegram from him to Madame Chiang on Dec. 14. Further evidence that General Chiang is well was provided by the visit of W. H. Donald, Australian confident of both General Chiang and General Chang Hsueh-liang, who flew to Sian Dec. 14 and saw the Generalissimo and found him safe. Meanwhile, the National Government has adopted stern measures against General Chang Hsueh-liang, dismissing him from his posts and ordering his surrender for trial and punishment. To supplement these measures, a large force of Government troops is pushing toward Sian to suppress the revolt and rescue the Generalissimo. As reported by *Reuters* on Dec. 15, the vanguards of the Government troops are within 15 miles of Sian. Fighting is said to have already broken out between the mutineers and the loyalists in Sian and Hsienyang, 15 miles northwest of Sian, and is rapidly extending to Lanchow, capital of Kansu.

A summary of the important events of the Sian mutiny follows:

General Chiang Kai-shek, President of the Executive Yuan and of the Military Affairs Commission, was seized and detained by mutineers under Gen. Chang Hsueh-liang, acting Commander-in-Chief of the Northwest Bandit-suppression Forces, at Sian, capital of Shensi, in the morning of Dec. 12, according to *Reuters*. General Chiang on Dec. 11 visited Huachinchi, a hot spring several miles east of Sian. When he learned of the outbreak of a mutiny he hurried back to Sian in an attempt to restore order but upon arrival was immediately surrounded and detained by the troops of Chang Hsueh-liang.

Gen. Chiang Kai-shek

According to a *Domei* message from Peiping, the prime mover in the rebellion was not the "Young Marshal" but Gen. Liu To-chuan, commander of the Fifth Division and his second-in-command Gen. Chang Tan-hai. The participating troops, however, belonged to the 105th Division, who surrounded Gen. Chiang's bodyguards and forced them into submission without firing a shot. The latter, it was said, were not disarmed.

CHANG DENOUNCES NANKING GOVERNMENT AND DEMANDS WAR WITH JAPAN

Bitterly denouncing the "continuous maladministration" of the Nanking Government, Gen. Chang Hsueh-liang announced Dec. 12 his determination to fight China's foes and rebuild the nation, according to a *Domei* report. This declaration was contained in a circular telegram sent by him to leading civil and military officials throughout the country. The appeal contained no references either to Gen. Chiang Kai-shek or to co-operation with Communists. Gen. Chang announced that he would assume the lead in "reorganizing the Chinese nation, expelling foreign enemies, recovering lost territories, including the four Northeastern provinces, and promoting the welfare and happiness of the people and the country". "This army", the appeal said, "for the past several years has been engaged in combating bandits in border inions under orders from the Central Government. This we did with the hope of promoting the peace and security of China and the welfare and happiness of the people. During this time, the Nanking Government, under Chiang Kai-shek, engaged in acts of continuous maladministration. Externally, it lost North China and permitted the independence of East Hopei. Hopei Chahar and Suiyuan are now about to share the same fate. While the National Government should immediately proclaim war on Japan to wipe out foreign insults, it idly engaged in dishonorable diplomacy. Unable to bear this sight, we at this time, denounce the Nanking Government of Chiang Kai-shek". Gen. Chang is believed to be toying with the idea of assuming a commanding position in the proposed anti-Japanese "Front Populaire", originally advocated by the Kwangsi warlords in their abrotive revolt last summer. *Domei* reports that Gen. Chang has been in constant communication with Generals Pai Chung-shi and Li Tsung-jen, the Kwangsi leaders; and Gen. Huang Chi-hsiang, leader of the so-called Social-Democratic faction, led by Gen. Chen Ming-shu.

Gen. Chang Hsueh-liang

Reuter reports that in his circular telegram, Gen. Chang makes the following demands in return for the release of the Generalissimo:—

(1) The adoption by the government of positive resistance to continued Japanese encroachments on China's territory and administrative rights;

(2) A truce with the Communists;

(3) Efforts to be made to form an alliance with Soviet Russia;

(4) Reorganization of the Kuomintang to admit Communists to membership; and

(5) Establishment of a constitutional government in place of the dictatorship.

CAUSE AND CIRCUMSTANCES LEADING TO SIAN REVOLT EXPLAINED

Messages received at Peiping from Sian state that the appointment of General Chiang Ting-wen, Pacification Commissioner for Fukien, as Commander-in-Chief of the bandit suppression activities in the northwest, to succeed General Chiang Hsueh-liang precipitated the crisis, which began over a difference of views between General Chiang Kai-shek and General Chang regarding action to be taken against the Communists. The Generalissimo desired that firm action should be carried out against the Reds, and is reported to have stated that those who talked of action against the Japanese while Communists still remained on Chinese soil were traitors to their country. It has been well known in Peiping for some months that the forces of General Chang Hsueh-liang have been on friendly terms with the Reds and have done no fighting against them for at least nine months. Anti-Japanese feeling and a common desire to undertake military action against the Japanese appear to be the basis of the bond between the Communists and General Chang Hsueh-liang's troops.

That the Sian revolt was brewing more than two months ago and that Gen. Chang Hsueh-liang was surrounded by a group of young officers formerly of the Northeastern Army and had lost liberty of decision, was expressed by a retired general of the Northeastern Army, according to a report published in a Chinese paper in Tientsin. According to this general, a group of young officers who had studied abroad, entered the "Young Marshal's" army in the Northwest and they soon gained control over all younger officers under Gen. Wang Yi-cheh and Gen. Ho Chu-kuo, two senior commanders under Gen. Chang Hsueh-liang. Two months ago this group were planning to strike but Mo Teh-hui, a close friend of Gen. Chang's, warned the Manchurian officers that they would be "digging their own graves" should they start a revolt. The plot was then abandoned for the time being. With the outbreak of hostilities in Suiyuan, disgruntled ex-officers of the Northwest Army converged at Sian and urged the younger men to strike. They succeeded in removing Gen. Ho Chu-kuo who was against the plot and arrested 200 others who were not in favor of the scheme. Two weeks before the revolt Gen. Wang Shu-han went to Sian to warn Gen. Chang against such a movement, but the "Young Marshal" did not express his opinions, which indicated that he was not free to speak his mind.

This general expressed the opinion that these younger officers are merely seeking an outlet and if their demands can be complied with the issue can be speedily settled.

10 HIGH GOVERNMENT OFFICIALS AND ARMY COMMANDERS DETAINED IN SIAN

In addition to General Chiang Kai-shek, altogether 10 other high government officials and army commanders are being detained in Sian by the troops of Chang Hsueh-liang. They are:

Gen. Chu Shao-liang, Pacification Commissioner for Kansu;
Gen. Chen Cheng, Administrative Vice-Minister of War;
Gen. Chiang Ting-wen, Pacification Commissioner for Fukien;
Gen. Wei Li-huang, field commander of the Anti-Red Forces in the Northwest;
Gen. Chen Tiao-yuan, president of the Military Advisory Council;
Gen. Chiang Tso-pin, Minister of Interior;
Shao Yuan-chung, former chairman of the Central Publicity Council;
Gen. Chen Chi-cheng, until recently Garrison Commandant of Hankow;
Gen. Chiang Po-li, who recently returned from an European tour; and
Lieut.-Gen. Mao Pang-chu, formerly Dean of the Central Aviation Academy, Hangchow.

GENERAL CHIANG SAFE AND UNHARMED, SEEN BY DONALD AT SIAN

Generalissimo Chiang Kai-shek's first communication with the outside world since his detention by the mutineers in Sian on Dec. 12 reached Nanking Dec. 14 in a telegram to Madame Chiang. In the telegram, the Generalissimo stated that he is well andrequested Madame Chiang not to worry about his personal safety. He, however, did not reveal the present situation in Sian. The telegram, which also acknowledged the receipt of Madame Chiang's wire of Dec. 13, was sent to Shanghai and later forwarded to Nanking. Authenticity of this telegram is, however, doubted in official circles in Nanking.

With the twofold purpose of saving one friend from possible death and deterring another from what may well prove a fatal course of action, W. H. Donald, Australian confidant of both General Chiang Kai-shek and General Chang Hsueh-liang, made a dramatic dash by air from Loyang to Sianfu, in the morning of Dec. 14 and arrived at his destination at 2 o'clock in the afternoon. It is learned that Mr. Donald took two letters to Sian —a personal one from Madame Chiang Kai-shek to General Chang Hsueh-liang in English and a brief note, also to General Chang, from Chen Pu-lai, secretary-general of the Generalissimo's headquarters.

Mr. Donald returned to Loyang Dec. 15 from Sian and brought back the following information, according to *Central News*. The Generalissimo, whom Mr. Donald saw Dec. 14 at Sian, maintains his usual nonchalance. He is staying in the residence of General Feng Chin-tsai, a division commander of the Shensi troops. Up to Dec. 14, the Generalissimo refused to talk to Chang Hsueh-liang although Chang tried every effort to persuade him to talk. Taking advantage of Mr. Donald's visit at Sian, Chang accompanied him to call on the Generalissimo again and entreated him to accept the demands that had been presented. The Generalissimo replied that it was impossible for him to accept any of the demands under the existing conditions. He added that besides, such demands, if they are in the best interest of the nation as a whole, can only be considered by the Central Government. Mr. Donald then told the Generalissimo that Madame Chiang is ready to come to Sian and see him and asked whether she should come. The Generalissimo replied in the negative.

FIERCE FIGHTING REPORTED IN SHENSI, NANKING TROOPS PUSHING TO SIAN

Fierce fighting occurred Dec. 14 at Sienyang, 15 miles northwest of Sian, between Government troops and Chang Hsueh-liang's rebels. A division of Loyalists, numbering about 10,000, is stubbornly defending the town against superior numbers, according to reports brought back by Government aeroplanes. It is learned that there was considerable street fighting in Sianfu when the revolt occurred. Three regiments of Government troops stationed in the city resisted the rebels, comprising a division of General Chang's troops commanded by General Liu To-chuan, for several hours. Although resistance was virtually quelled by nightfall, there was some fighting the following morning.

Central Government troops are fast approaching Sian. The vanguards of the Government troops, commanded by General Fan Zung-su, on Dec. 14 reached Weinan, 45 miles from Sian, and were within 15 miles of Sian Dec. 15. Much to their surprise, very little resistance was encountered from General Chang's forces, many of whom allowed themselves to be disarmed with little or no fighting. It is believed, however, that Ceneral Chang will make a determined attempt to defend Sianfu itself. General Fan is in telephone communication with General Feng Ching-chai, one of the two divisional commanders under General Yang Hu-cheng, Pacification Commissioner of Shensi. General Feng has pledged his loyalty to Nanking. The death of General Chien Ta-chun, chief aide de camp to General Chiang Kai-shek, was reported in a telegram from General Chang Dec. 14, but it is now stated that he is alive.

REPORTS OF COUNTER-REVOLT AT SIAN AND RESCUE OF GENERAL CHIANG PROVE FALSE

A counter-revolt headed by General Yang Hu-chen, Pacification Commissioner of Shensi, has occurred at Sian, according to reports reaching Nanking Dec. 14. The reports, however, were later officially discredited. As a result of the counter-revolt, it was stated, General Chiang Kai-shek has escaped from his rebel captors. After having apparently joined General Chang Hsueh-liang's rebellion, General Yang is reported to have persuaded the "Young Marshal" to transfer General Chiang to his custody in the new, or inner, city of Sian. Having secured the Generalissimo's safety, he announced his allegiance to the Central Government, and fighting broke out between his troops and those of General Chang. General Yang is said to have two divisions numbering 20,000 men against General Chang's three divisions totalling 30,000.

In spite of reports of a counter-revolt, Chang Hsueh-liang and his rebel troops are still in control of Sianfu, reported *Reuters* Dec. 15. This was indicated when Chang broadcast a fierce denunciation of the National Government in the night of Dec. 14. It is now regarded as certain that General Chiang Kai-shek has not been liberated.

The determination of the rebels to make common cause with the reds is indicated by the establishment at Sianfu of "joint headquarters of the Kuomintang and Communist Parties."

General Yang Hu-cheng, Pacification Commissioner for Shensi, has joined the revolt, reported *Reuters* Dec. 14.

NANKING DISMISSES CHANG HSUEH-LIANG AND DECREES SEVERE PUNISHMENT

Swift decisions to cope with the rebellious movement staged Dec. 12 at Sian by Chang Hsueh-liang, were reached at a joint extraordinary meeting of the Standing Committee of the Central Executive Committee and the Central Political Council, held at 11.30 p.m. Dec. 12 under the chairmanship of Ting Wei-fen.

It was decided that Chang Hsueh-liang be first deprived of his substantive and concurrent duties (as member of the Military Affairs Commission and cnocurrently Acting Commander-in-Chief of the North-western Bandit-suppression Forces) and be referred to the Military Affairs Commission for severe punishment. His troops are to be placed under the direct command of the Military Affairs Commission.

Other important decisions reached at the meeting are:

1.—The affairs of the Executive Yuan are to be in charge of Dr. H. H. Kung, Vice-President of the Executive Yuan.

2.—The members of the Standing Committee of the Military Affairs Commission are to be increased from five to seven persons. (In addition to General Pai Chung-hsi). the following are designated as the members of the Standing Committee:—

General Ho Ying-chin, Minister of War.
General Cheng Chien, Chief of the General Staff.
General Li Lieh-chun, member of the Military Affairs Commission.
General Chu Pei-te, Director of the Administrative Office of the Military Affairs Commission.
General Tang Sheng-chih, Inspector-General of Military Training.
Admiral Chen Shao-kuan, Minister of the Navy.

3.—The meetings of the Military Affairs Commission are to be taken charge of by General Feng Yu-hsiang, Vice-President of Commission, and the members of its Standing Committee.

4.—The power of directing troop movements is to be entrusted to General Ho Ying-chin, member of the Standing Committee of the Military Affairs Commission and Minister of War.

In a mandate issued Dec. 12 the National Government bitterly denounced General Chang for the revolt which is all the more detestable in view of his humiliating record as a military leader. The leniency shown him by the Central Government, the mandate pointed out, had been prompted by the hope that he would redeem his faults by rendering his useful service to the State. At this moment when foreign aggression is at its most serious stage and the task of bandit-suppression on the point of completion, it continued, General Chang went so far as detaining the Generalissimo's person as a means to press forward his uncalled-for and unfounded stand on the nation's fundamental policies. There can be no more

flagrant violation of law and discipline in the case of a commander in charge of bandit-suppression acting like a bandit himself and a military officer restricting the personal freedom of his superior," declared the mandate which concluded by ordering the immediate removal of General Chang from all his present posts and imposition on him of severe punishment by the Military Affairs Commission.

NATION EXHORTED TO KEEP CALM DESPITE CRISIS

In a mandate issued Dec. 13 the National Government declared that adequate measures are being taken to cope with the situation arisen from the revolt at Sian. The mandate pointed out that all Government organs both in and outside the capital are carrying on their functions as usual in accordance with previously determined policy. It behoves the entire people of the nation, therefore, to remain calm and continue their daily pursuit, and not to be led by wild rumors. To forestall bad elements from possibly creating disturbances in taking advantage of the situation, the Military Affairs Commission was authorized by the mandate to declare martial law wherever necessary.

Dr. H. H. Kung

That the whole nation should view the Sian revolt with the utmost calmness and should carry on their daily duties with redoubled efforts was urged by President Lin Sen in a stirring address at the National Government Headquarters during the weekly memorial Dec. 14. Expressing confidence that the Sian mutiny will be quelled in no time, the Chief Executive exhorted the people not to believe in current wild rumors, but to stand firm and place their confidence in the Government's ability to cope with the situation. The Chief Executive also bitterly assailed Chang Hsueh-liang for his high-sounding words in his circular telegram to defend himself. He expressed deep regret over the ingratitude of the Chang.

Peace and order should be maintained and adequate protection given to foreign nationals, declared a circular telegram issued to the whole country Dec. 14 by Dr. H. H. Kung, acting President of the Executive Yuan who hurried to Nanking from Shanghai Dec. 13 despite prolonged indisposition. Dr. Kung also instructed various provincial and municipal authorities that strict measures be taken to check the activities of unscrupulous elements, rumour mongers and speculators.

GOVERNMENT TO PURSUE SAME POLICIES AS LAID DOWN BY GEN. CHIANG

Three important decisions were reached at the meeting of the Executive Yuan Dec. 15. They are:

1. That China's foreign policy as laid down by the Central Government and General Chiang Kai-shek shall continue to be the guiding principles of the National Government in conducting negotiations with foreign powers;
2. That the bandit-suppression campaign both in Suiyuan and other provinces should be pushed on with the same vigor as before the Sian mutiny; and
3. That the Ministries of War and Foreign Affairs should be instructed to enforce the above two decisions.

T. V. SOONG DEPLORES SIAN REVOLT AND OFFERS TO MEDIATE

The Sian revolt was deeply deplored by T. V. Soong, Chairman of the Board of Directors of the Bank of China and member of the Standing Committee of the National Economic Council, in a press interview in Shanghai Dec. 14. The mutiny, he said, is certainly the most unfortunate event, occurring as it does at this moment when the attention of the world is focused on China. He suggested that effective measures should be taken to solve the situation within the shortest possible time. Pointing out that his official and personal relations with General Chiang Kai-shek and his friendship with General Chang Hsueh-liang are well known to all, Mr. Soong expressed his willingness to do whatever required to solve the present crisis under the direction of the Central Government. But as to what steps should be taken and whether he has to proceed to Sian all depends upon the decision of the Central authorities, he added.

T. V. Song

FENG YU-HSIANG APPEALS TO CHANG TO RELEASE GENERALISSIMO

Couched in most frank and sincere language, Gen. Feng Yu-hsiang, Vice-Chairman of the Military Affairs Commission, in an urgent telegram to Chang Hsueh-liang Dec. 13 appealed to him immediately to release Gen. Chiang Kai-shek and to retract from a step which would plunge the nation into an irrevocable disaster. Gen. Feng intimated that hopes for a reconciliation between Chang and the Government are not shattered. "Whatever difficulties you may be confronting, and whatever opinions you may hold," the telegram ran, "can be solved by your releasing Gen. Chiang, who, as an open and frank revolutionary leader, would assuredly lend most favourable views to your suggestions." To allay Chang's apprehension for possible unpleasant results if he set Gen. Chiang free, Gen. Feng said he was ready to guarantee Chiang's safety under whatever circumstances. He went so far as to offer himself as a hostage for Gen. Chiang, stating that if Chang but wishes, he would be ready to go to Sian together with several of his friends to stay there as his guarantee.

Gen. Feng Yu-hsiang

If Gen. Chang Hsueh-liang would escort Gen. Chiang Kai-shek back to the Capital he would be given a chance to gratify his alleged desire to lead his Northeastern troops back to their homeland and to revenge for his father, the late Marshal Chang Tso-lin. Thus declared Gen. Feng Yu-hsiang, vice-Chairman of the Military Affairs Commission, in an interview with the *Central News Agency*. Dec. 14.

A steady stream of telegrams has arrived in Nanking from various regional military commanders, pledging solid support to the Central Government in whatever measures that may be decided to cope with the Sian situation. In addition to those from Gen. Yen Hsi-shan, Pacification Commissioner for Shansi and Suiyuan, Gen. Sung Cheh-yuan, Chciarman of Hopei-Chahar Political Council, and Gen. Yu Han-mou, Pacification Commissioner for Kwangtung, wires have also been received from: Gen. Ho Chien, Chairman of Hunan, Gen. Han Fu-chu, Chairman of Shantung, Chen Kuo-fu, Chairman of Kiangsu, and Gen. Ho Cheng-chun, Pacification Commissioner for Hupeh. Of a more militant tone was the wire sent by 170 "Young Officers" of the National Army, led by Lieut.-Gens. Hu Chung-nan and Yang Chieh, in which they demanded the launching of an immediate punitive campaign against Gen. Chang Hsueh-liang. Natives of the Northeastern provinces resident in Nanking have also issued a telegram, urging he Central Government to immediately launch a punivite expedition against the "Young Marshal." Meanwhile, special precautionary measures are being taken in Tsinan, Hsuchow, Nanchang, Canton, and other cities to prevent against any contingencies as well as to stabilize the currency situation.

The latest to have telegraphed their support to the Central authorities were Gen. Lung Yun, chairman of Yunnan, Gen. Chen Yi, chairman of Fukien, Gen. Liu Hsiang, chairman of Szechwan, Gen. Chang Fah-kwei, Pacification Comimssioner for the Chekiang-Kiangsu borders, Gen. Wan Fu-lin, commander of the 53rd Army, and Gen. Liu Chien-shu, commander of the 2nd Route Army.

FORMER SUBORDINATES OF "YOUNG MARSHAL" SUPPORT CENTRAL GOVERNMENT

Three former subordinates of Gen. Chang Hsueh-liang, now stationed outside of Shensi, have telegraphed Nanking pledging their whole-hearted support to the Central Government. Major-Gen. Shih Tsi-ju, commander of the 15th Regiment of the 8th Artillery Brigade, stationed in Hsuchow, has voluntarily requested the highest military commander in that garrison area that his regiment be disarmed, as a gesture of his opposition to the rebellious action of his former superior in Sian. In Honan, Lieut.-Gen. Feng Chin-tsai, commander of the 7th Army and concurrently commander of the 42nd Division, whose name appeared among the signers of Gen. Chang Hsueh-liang's declaration of policy, has wired to Nanking saying that his signature was forged. Gen. Wan Fu-lin, commander of the 53rd Army stationed in Paoting and formerly Governor of Heilungkiang, has informed the Central Authorities of his loyalty and expressed willingness to use his personal influnece to persuade Gen. Chang to repent his action.

Mo Teh-hui, a close friend and follower of Gen. Chang Hsueh-liang, was scheduled left Peiping for Nanking Dec. 16 on a summons from Gen. Ho Ying-ching, War Minister. It is believed that he would be asked to use his influence with the "Young Marshal" for the liberation of Gen. Chiang Kai-shek.

General Feng Ching-chai, one of the two divisional commanders under General Yang Hu-cheng, Pacification Commissioner of Shensi, issued a manifesto Dec. 14 pledging his loyalty to the Central Government.

CHANG ASSURES GEN. SUNG CHEH-YUAN OF GEN. CHIANG'S SAFETYn

Gen. Chang Hsueh-liang telegraphically assured Dec. 14 Gen. Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Council, of the safety of Gen. Chiang Kai-shek. The "Young Marshal" requested Gen. Sung to dispel fears of the people of Chahar and Hopei for Gen. Chiang's fate. The Sian coup, a member of the Hopei-Chahar Council today told *Domei*, would probably lead to the restoration of conditions prevailing before the northern revolutionary march of 1926-1927 and a temporary strengthening of the Communist movement. The mutiny, the official believed, would be crushed within ten days, forcing Gen. Chang to join hands with the Red Armies to save himself from arrest and annihilation.

General Sung Cheh-yuan has telegraphed Nanking expressing the belief that Chang Hsueh-liang is being used as a tool by the Communists, and urging that measures be taken to suppress the revolt and effect the release of General Chiang Kai-shek. "I am ready with my troops," he asys, "and await the orders of the Central Government." In a statement announcing his policy, General Sung formulates it under three heads:—

1. Preservation of peace and order in Hopei and Chahar;
2. Continuation of the anti-Communist policy of the Hopei and Chahar Political Council; and
3. Execution of the orders of the Central Government whether General Chiang Kai-shek is in Nanking or not.

HOPEI-CHAHAR COUNCIL PLEDGES LOYALTY TO NANKING

Hopei and Chahar Political Council formally pledged Dec. 15 its loyalty to the Nanking Government, whether Gen. Chiang Kai-shek returns to power or not. This declaration was contained in memoranda sent by Gen. Sung Cheh-yuan, Chairman of the Council, to all the foreign embassies and legations in the Old Capital. In another circular telegram to all leading officials throughout China, Gen. Sung reiterated his loyalty to the Central Government and his readiness to take any step ordered by it.

General Li Tsung-jen, Pacification Commissioner for Kwangsi, has telegraphed General Ho Ying-chin, Minister of War to the effect that all military commanders in Kwangsi are prepared to back up the Central Government in its campaign against Chang Hsueh-liang and the Communists.

Loyalty and support to Gen. Chiang Kai-shek are evidenced by numerous telegrams pouring into Nanking from the Chinese people abroad. Messages from San Francisco, Cuba, Penang in Straits Settlement, Rangoon in Burma, and Manila pledged support to the National Government and the Generalissimo.

In support to the nation-wide appeal to the Central Government to rescue Gen. Chiang Kai-shek, who has been detained by Gen. Chang Hsueh-liang various public bodies in Shanghai have sent telegrams to the Central authorities urging the Government to carefully deal with the existing state of affairs so as to prevent the situation to develop into something that would jeopardize the unification of the country. Wires have also been sent to the "Young Marshal," who is alleged to be the instigator of the mutiny, urging him to carefully reconsider his position.

Deep concern over the safety of Gen. Chiang Kai-shek was expressed by many foreign diplomatic representatives who called at the Waichiaopu Dec. 15. In addition to Sir Hughe Knatchbull-Hugessen and M. Paul Emile Naggiar, there were Nelson T. Johnson, the American Ambassador, Dr. Oscar Trautmann, the Germany Ambassador; Y. Suma, the Japanese Consul-General, Ispilwanek, the Soviet Charge d'affaires.

About 30 British and 20 American missionaries scattered throughout Shensi have been advised by the English and American consular authorities to "use their own discretion" as regards evacuation.

JAPAN ADOPTS WATCHFUL—WAITING POLICY ON SIAN REVOLT

Following four hours' deliberations lasting until 10 p.m. the Gaimusho at an important meeting Dec. 13 decided to adopt a wait-and-watch policy vis-a-vis the revolt at Sian. Japan, it was agreed, should make no rash decisions before a true picture of Chang Hsueh-liang's coup is available. As the stabilizing factor in East Asia, it behoves Japan not to take advantage of the situation for whatever petty gain thus to incur the suspicion of the world. This view of the Gaimusho, it was understood, was completely shared by both the War and the Navy Offices. Mr. Arita announced at a Cabinet meeting Dec. 15 that the Gaimusho was pursuing a policy of non-intervention in China's internal affairs.

SUIYUAN INVADERS CAPITALIZE ON SIAN REVOLT AND LAUNCH FIERCE OFFENSIVE

Taking advantage of the military coup in Sian which has caused much anxiety in Taiyuan and Kweihua, the "Manchukuan" Mongolian forces launched a fierce offensive on the eastern Suiyuan front Dec. 14 with the ultimate aim of capturing Pingtichuan, the strategic railway town along the Peiping-Suiyuan line. Assuming personal command, Prince Teh arrived at Shangtu, the "Manchukuan" base in Northern Chahar, Dec. 13 with the 8th Division of his Mongolian troops. He is now directing a campaign on Chiukuchuan, 120 li northeast of the railway town. The troops had been conveyed to the Chiukuchuan front by a fleet of motor lorries from Shangtu. Covered by a fleet of bombing planes, the invaders launched a fierce offensive. The Chinese defenders gallantly resisted. When reinforcements were being rushed to the front, the bombers dropped many heavy explosives to stop their movements. They bombed Hungmouyingtsz, or "Red Cap Camp," which is only 80 li from Pingtichuan. Along the southern section of the eastern front, near Hsinho, a detachment of "Manchukuan" forces launched a simultaneous attack on the Chinese lines, with the aid of bombers. They, however, were repulsed. The defenders captured and wrecked one of their trucks. General Ho Ying-ching, minister of war and concurrently member of the standing committee of the Military Affairs Commission in charge of military movements during the absence of General Chiang Kai-shek in Sian, has telegraphed his orders to Suiyuan instructing them to carry on with the bandit-suppression campaign there.

Gen. Fu Tso-yi, chairman of Suiyuan, proceeded to Pailingmiao Dec. 14 to review his forces. Gens. Chang Hen-shou and Tang En-pao are remaining at the front personally directing the defence.

VANGUARDS OF GOVERNMENT TROOPS REACHING VICINITY OF PANKIANG

Following the capture of Tamiao, the remaining base of the "Irregulars" in northern Suiyuan, the vanguards of the government forces are reported to have reached the vicinity of Pankiang, a strategic point in northern Suiyuan to which the "Irregulars" have retreated. More troops will be sent by General Fu Tso-yi, Chairman of Suiyuan, to Tamiao in view of its geographical importance. It is reported that 500 "Irregular" troops have been sent by Chang Hai-peng to Pankiang to help Prince Teh to defend the strategic town.

With the vanguards of the Chinese troops advancing to a point 30 li from Shangtu, base of the "Manchukoans" in Chahar near the eastern Suiyuan border, the fall of the city is expected momentarily, according to a *Reuter* report Dec. 14. Although Li Shou-hsin, Commander of the "Manchukuo' Irregulars" is still in the city, the main body of his forces and supplies have been evacuated to Tachingkou. The center of operations of the invaders has been shifted to Chapser where much military activity is going on.

Another major defection in the rank of the "Irregulars" occurred Dec. 10 when Chin Hsieh-chang, divisional commander under Wang Ying, and 2,000 of his men surrendered to the government side, according to a message received by the Mongolian and Tibetan Affairs Commission in Nanking. Carrying with them their arms, the report says, China's men are now in the vicinity of Wulanhua, while Chin himself was expected to reach Wulanhua shortly to pledge his loyalty to the Government.

A circular telegram issued by Shih Yu-shan, brigade commander under Wang Ying, who surrendered on Dec. 8, pledging his loyalty to the Party and State was received at Nanking Dec. 7. In his message, which was addressed to Lin Sen, Chairman of the National Government, and other Government leaders, General Shih explained that he was forced to join the "Irregulars" under certain circumstances. As soon as he succeeded in organizing one brigade of troops under him he immediately turned against "certain quarters."

The defection of Shih Yu-san and Chin Hsien-chang, who command more than 80 per cent of the troops under Wang Ying, is believed to have broken the backbone of the Mongol "Irregulars" threat in northern Suiyuan. Their surrender to the Suiyuan army is considered a significant turning point in the whole situation. Five thousand "Irregulars" and 200 officers, formerly under Wang Ying, have surrendered to the Suiyuan army, it was officially announced at Kweihua Dec. 11. These units which defected from the invading Mongol forces brought with them numerous horses, more than 10 trucks, four field pieces, 20 machine-guns, several short wave radio sets, poision gas bombs and important documents. It is stated that the "Irregulars" and officers held in captivity by the Chinese troops will be sent to a reformatory at Taiyuan.

GAIMUSHO ISSUES STATEMENT DEFENDING POLICY OF GOVERNMENT

The Japanese Foreign Office issued Dec. 10 a statement outlining the views of the Government in regard to the Sino-Japanese negotiations in Nanking. The statement, couched in somewhat mild terms, made a cautious defence of the Government's policy and the course and measures it had taken in regard to the Chinese situation. The statement, however, avoided mentioning anything about the conditions in China, and merely enumerated the various points allegedly already agreed upon by both sides. Significance was attached to the concluding paragraph of the statement, which declared that Japan will continue to watch how the Chinese Government proceeds to suppress anti-Japanese sentiments. The issuance of the statement tended to confirm the belief that instead of taking any rash steps, the Japanese Government is inclined to wait and watch before deciding on any future course of action vis-a-vis the Chinese situation. Relations between the two countries, it was therefore held, would not for the time being turn suddenly worse.

Instead of allaying general apprehension, the statement of the Gaimusho on Sino-Japanese relations aroused a further crop of adverse comments in the Press and from political and military circles in Tokyo Dec. 11. These comments charged that the clumsy diplomatic technique of the Gaimusho had been responsible for failure to obtain, internally, the support of the people, and externally, China's response to Japan's real intentions.

Japan Now Meeting Its "Waterloo" in Suiyuan

BY C. Y. W. MENG 孟昭林

IN order to understand the true situation in Suiyuan, we have to trace back to the series of "conferences" which were held in Chang Yuan and in other Japanese military headquarters in Tientsin sometime in August, 1936, which were participated in by many Japanese high officials and militarists, such as Mr. Kawagoe, Japanese Ambassador to China, Major-General Tashiro, Commander of Japanese Forces in North China, and Major-General Itagaki, another high military officer of the Japanese Kwantung Army. From our bitter experience in the past, when such "conferences" are being held, they foreshadow that another storm is coming.

Beginning from August 17 to 28, no less than eight conferences were held. While it is not possible for us to know the minutes of the conferences, it is more than clear that the conferences discussed the many "plans" for the economic development of North China, and concluded that "the political authority of North China should be subject to no other interference and control by any outside force," and that hereafter Japan would regard the North China authorities as the ones with whom the Japanese would conduct their negotiations. Mr. Kawagoe, while in Tientsin, was reported to have declared that "the Eastern Hopei Government," under Yin Yu-keng, might be abolished, but concluded that it is not yet time. "The time will be ripe if the Hopei-Chahar Political Council could reach the same position as that of the Eastern Hopei Government," said the Japanese Ambassador. In other words, in Japan's opinion, North China should be reduced to a "colony" of Japan, with the Japanese as the rulers and the Chinese as the puppets. It is further reported that both Japanese Army and Navy all supported this decision, so Mr. Kawagoe, in his negotiations with the Chinese Foreign Minister, demanded the establishment of a "Special Position" in North China. Japan further claimed that the Japanese policy is no longer a "water-fowl" diplomacy, nor "woodpecker" diplomacy, but "Dollar" diplomacy—meaning a unified diplomacy.

Japanese Demand on Shantung

On his way back to Nanking, Mr. Kawagoe stopped at Tsinan and paid a visit to General Han Fu-chu, chairman of Shantung Provincial Government, and was reported to have conveyed to the Shantung chairman the "opinions" of the Japanese Army, and to have presented the same "demands" as had been presented to General Sung Chi-yuan, chairman of Hopei-Chahar Political Council. During the "Chang-Kawagoe Conference," Mr. Kawagoe was further reported to have demanded that "the Central Government should stop the activities of the Kuomintang within the Province of Shantung . . . the troops under General Sun Lieh-tung (formerly under General Feng Yu-hsiang) should be withdrawn from Shantung . . . the members of Blue Shirts should not be permitted to come to North China . . . Promises made in the Ho-Umetsu Agreement should be kept . . . Any violations of the Agreement, the Central Government would be held responsible". In addition, Mr. Kawagoe, on behalf of the Japanese Army, made another statement that "China must respect the rights already acquired by Japan in North China."

Japanese Army's Plan to Effect a "Blockade" of China by Land

Mr. Kawagoe was further quoted to have declared that "To the North-East of Japan, there is a 'big country' whose military preparations are superior to those of Japan by many times. The Japanese government and people always realize the danger when our line of defence would be endangered. The Army, Navy and Foreign Offices have come the same conclusion, and worry that the 'certain big country' would penetrate into Inner Mongolia and bring pressure on Japan and Manchukuo. So Japan would not be indifferent over the Eastern Suiyuan situation". General Itagaki made the same statement, adding that "Eastern Suiyuan is bordered by Manchukuo. Should there be any disturbances, the line of defence of Manchukuo would be endangered. There is no difference between the Chinese troops under General Fu Tso-yi (chairman of Suiyuan Provincial Government) and the 'bandits'. Japan and Manchukuo have signed a 'Defensive Alliance', so Japan would be very mindful of the security of Manchukuo," etc.

We have cited these events and quoted what was spoken by the Japanese officials and militarists because these will help us to understand the present as well as the future situation in Suiyuan and Tsingtao, which is now under the Japanese seizure. From these words from the Japanese officials and militarists we know long ago that Suiyuan would not be immune from Japanese gun fire in the near future.

Further, from the contents of the many "secret documents" which were seized by the Chinese forces after the capital of Peilingmiao, the Chinese discovered that the underneath motive of the invasion of Suiyuan is the Japanese plan to effect a "blockade" against China by land. It is the Japanese opinion that in time of war it would be very difficult for China to seek for any "international assistance", for Japan has confidence that with their strong naval bases alloted on the Pacific, and strong navy on both sides of the Empire, "there is no question that Japan is in a position to declare an effective blockade against China by sea." But the only way open to China is by land. Forced by the situation, Japan fears that China might be forced to join with Russia. For this reason, Japan has to adopt measures to affect another blockade not only by sea but also by land. It is the conviction of Japan that "without international assistance, China is no match for Japan."

$400,000,000 for a Blockade Line

So Japan wants to establish a line of blockade from North-East to North-West, which would include the Province of Chahar, Suiyuan, Ninghsia, Kansu and Singkiang, to prevent China and Russia from coming into contact with each other. "Such has been the principal work which the Japanese militarists have spared no efforts to accomplish during recent years. For this purpose a huge sum of $400,000,000 has been allotted. Up to the first period of this year, already $60,000,000 has been used up," declared one observer who went to Suiyuan and to Peilingmiao and who recently returned to Shanghai. "But the center of the line of blockade is Suiyuan, and the base of operations is Peilingmiao," he continued.

In his interview with the Shanghai "representatives" who went to Suiyuan with many "gifts" to comfort the Chinese soldiers, General Fu Tso-yi also confirmed that it is the Japanese intention and plan to establish a line of blockade starting from "Eastern Donolor (Chahar) to North Kalgan, Changtu, Peilingmiao (Suiyuan) and to Chinghai (a Province)", and said *inter alia* that "in each communication center, there is a 'branch office' of the Special Service Bureau (attached to Japanese Kwantung Army), one radio station, one airdrome and defensive barricades, with the sole view of cutting off our communications with Russia,' and Peilingmiao is the center of the whole line of blockade."

"The Japanese who seek to establish this line of blockade want to utilize the 'disappointed' Mongolians and Tibetans by intoxicating them with the doctrine of 'racial self-determination,' and by fomenting ill-feeling against the Chinese, in order to realize their old policy of 'bidding the Chinese against the Chinese'. But their real object is to affect the control of these 'small and weak people', politically and militarily, in order to carry out their premeditated plan of effecting a blockade against China by land", pointed out the observer.

"But the fall of Peilingmiao and the capture of large quantities of munitions and food-stuffs by the Chinese have not only 'unmasked' the Japanese plan to affect the blockade by land, but have also inflicted a 'deadly blow' to their plan", concluded the observer.

Capture of Peilingmiao Exemplifies the Heroism of Chinese Soldiers

The capture of Peilingmiao by the Chinese forces on Nov. 24 should go down in the annals of Chinese history as one of the greatest and most important victories that China has ever achieved. Needless for us to say that the attack on Peilingmiao was surmounted with many difficulties. In the first place, in Kweisui, capital city of Sui-yuan, there is one Japanese "office"—though under the name of a Japanese "residence"—of the Special Service Bureau, which is a Japanese detective or espionage organ. During war time, there is no doubt that this "Office" in Suiyuan will find every military secret of the Chinese and every movement of the Chinese troops. Thus, their presence has made "night attacks" and "surprise offensives" on Peilingmiao far more difficult, if not altogether impossible. Secondly, Peilingmiao is surrounded by mountains. Surrounding the mountains, there is a huge tract of deserted land. The Chinese soldiers have to traverse 60 or 70 li (or about 20 or more miles), and have to carry food-stuffs sufficient to last for one day. (It is said that the troops under General Fu are mostly infantry, very little cavalry). When they reach the "front," they are more than exhausted.

But in battles of this kind, it is not material supplies and equipments but rather "bravery" that counts most. The Chinese launched their offensive on the night of Nov. 23. But before starting for the "front", every soldier was in excellent spirits; none of them ever thought of returning alive, and every one of them cheered the other, saying that "we reach Peilingmiao to have a drink there", meaning that unless they reached Peilingmiao they would not have a drink—a Chinese way of saying used by the soldiers indicating their "determination" to fight. But because of a hail of bullets from the invaders' rifles and machine-guns, the Chinese forces could not make any headway on the dawn of Nov. 24. In the meantime, 5,000 reenforcements from the invader party were on the way. After 9 o'clock, the bombing planes would also come. But, determined to die for the nation, and to fight to the last, two trucks, loaded with Chinese soldiers, preceded by two armored-cars, made a desparate attempt to break through the invaders' line of defence. Despite the hail of bullets, the Chinese soldiers fought on. When one armored-car was broken down by the artillery fire of the invaders, and when the way was blocked, the soldiers simply alighted from the trucks and fought on and engaged themselves in a hand-to-hand fight with the invaders. The Chinese had to lose more than one-third of their men before the gate on the mountains leading to Peilingmiao was occupied. This famous lamasery was occupied by the Chinese at 9.30 in the morning. Thus, the capture of Peilingmiao forms

another 'glorious chapter' in the history of resistance against foreign aggression. The Chinese achieved this victory entirely through their bravery!

Will Japanese Forces in North China Also Act?

But it is important for us to refer back to the series of conferences held in Tientsin sometime in August. At the meeting on August 28, the "respective powers" of the Japanese Kwantung Army and the Japanese Forces in North China are reported to have been decided. While the Kwantung Army would be responsible for the happenings North of Kalgan and the Great Wall with the assistance of the Japanese Forces in North China, the Japanese Forces in North China would be responsible for the happenings South of Kalgan and the Great Wall, with the assistance of the Kwantung Army. Therefore, it is important for us to note in the time when the Japanese Kwantung Army start another military "adventure" in Suiyuan, what "assistance" the Army would expect from the Japanese Garrison Forces in North China? According to the report, the conference of Nov. 28 reached the following decisions as to the tasks which the Japanese Garrison Forces in North China would undertake:—

1. To expedite the early realization of the Special Position of North China.
2. To bring strong pressure to force the North China authorities to sever their relations with the Central Government; and in the event of war in Suiyuan, to force the Chinese authorities in Hopei, Chahar and Shantung to remain "neutral."
3. To exercise close supervision over the movements of Chinese troops in North China, and to take vigorous steps to prevent them from sending any reenforcements to Suiyuan, and to create more obstacles before them, if necessary.

So the question arises: In face of such stiff resistance from the Chinese, will the Japanese Kwantung Army still continue to try its strength? In face of their defeats from the Chinese forces, will the Japanese Kwantung Army expect their Garrison Forces in North China to act? Although it is somewhat early to answer these questions, yet it all depends on how these questions are answered as to what will decide Sino-Japanese relations this winter as well as in the spring of 1937.

China's "New Spirit" Will Defeat Japan's "Militarism"

But be it one or the other, the China of 1936 is not the same as the China of 1931. We produce herewith a letter written by a student aged 11 years from a primary school in Taiku to a Shansi newspaper, which reads as follows:—

> ". . . . I am sorry I am too young to go to the front. We know that Suiyuan is the gateway to China and its defence is life and death for our people . . . ."

Such is China's "new spirit." This is what the children say in Shensi. We can imagine what the adults would say!

Interviewed by the Chinese reporters on the "front," one divisional general and two brigadier generals from the invaders' side, who deflected to the Chinese side, requested the Chinese journalists to make the following statement on their behalf, which reads *inter alia* as follows:—

> ". . . . at one time, we are understood by our countrymen. But we believe that our authority understands well our situation.' When we joined the 'bandits' and 'rebels', we had already determined to wait for a chance to take whatever we have (meaning munitions) to come to the Chinese side. The only thing was that the time was not ripe yet; and further, we were then only poorly equipped, so we did not act. But now we are equipped with poison-gas equipments, and we are given new fighting weapons, so we deem that the time has come to rise. We believe that all Chinese love their country just the same, the only difference being that some were forced to join the rebels, some had their ideal in view, and some had to wait for a chance to rise. When time comes, all will turn their guns against the invaders."

We shall remind the Japanese that when the Chinese fight for the Japanese side, their intention is exactly the same. That is when the time comes, they will simply carry away their guns and deflect to the Chinese side. In the time of war with China, unless Japan could put up 30,000,000 men to tie up the hands of each Chinese in Manchuria, or could intern the 30,000,000 Chinese in Manchuria in Japan—both of which are physically impossible—Japan should not be surprised to find, not only one deflection after another, but also the rising of 30,000,000 to oppose the Japanese invaders. This is because the love of one's own country is a human instinct. These 30,000,000 Chinese thoroughout Manchuria are now forced to acknowledge the rule of the invaders. Force may change their words and appearance, but can not change their "human instinct", and "feelings" towards their Fatherland!

In 1931, Japan met no resistance from the Chinese in their invasion of Manchuria; and in 1932 and 1933 Japan met only "regional and disorganized resistance" from the Chinese. In 1931, Japan was able to achieve many "cheap victories." But in 1936 and hereafter, all these are impossible. On the one hand, Japan has to pay heavily for gains, if there were any; on the other hand, Japan will meet stiff resistance, not from local authorities, but from the whole Chinese nation. China has changed the "turn-the-other-cheek policy of accepting humiliations"; and China has at last stiffened her backbone to fight against the invaders, irrespective of the consequences. It is because China with a population of four hundred millions has now been forced into a corner whence there is no way out; and further she has been subjected to such insult that she could no longer remain patient. The time has now come when she cares nothing, but fights with jaws set in the manner of a beast at bay, even though all centers of industry and commerce, all the centers of culture and education be razed to the ground by aerial bombardment, by cross-fire of heavy artillery of the invaders. The heroism which the Chinese have demonstrated in the Battle of Peilingmiao is only a "signal" of the Chinese positive resistance against invasion; and the defeat at Peilingmiao is only the first of a series of the "Battles of Waterloo" which the invaders are going to meet in the face of China's changing policy, growing nationalism and "new spirit." These Battles of Waterloo will bring a complete collapse of Japan's "Manchurian Adventure" in the same way as happened with her "Siberian Adventure" more than two decades ago.

Nanking, December 12, 1936.

Shanghai Japanese Paper Describes England as a "Cunning Fox"

After denouncing the insincere attitude of the Chinese authorities towards Sino-Japanese negotiations, as manifested by its suspension under the pretext of Suiyuan affairs, and also their lack of devotion to the readjustment of Sino-Japanese relations, as revealed by their ambiguous and changeable foreign policy, the *Shanghai Mainichi* stated for China's benefit that England is a cunning fox and that Japan is a "straightforward and naive nation" in its editorial Dec. 10.

It wrote: "It is, indeed, a riddle, so far as Anglo-Chinese relations are concerned. Not long ago, with British capital, the Canton-Hankow railway line was completed. At the moment when the Sino-Japanese negotiations in Nanking were reaching the utmost tension, the Chinese Government authorities have cooperated with British capital for planning the development of the Hainan Island. On the 9th. inst., the Finance Committee of the Legislative Yuan approved the issue of the Nanking-Kiangsi Railway bonds, amounting to $1,400,000, and, on the other hand, the Sino-British Boxer Indemnity Committee also recently decided to sign the contract for loaning to China a sum for the construction of the Ichang-Kweichow line of the Nanking-Kweichow Railway and approved a credit loan to China, amounting to $17,770,000 in cash and £450,000 for material for railway construction. This amply shows that China has been placed under the control of British imperialism. Indeed, the whole of the Chinese nation has become paralyzed, after taking Indian opium; therefore, the Chinese people have not said even one word about it. It is beyond question that Great Britain has taken China as the object of exploitation. Her hereditary diplomatic policy, indeed, reflects her utmost cunning. However, Japan shares the burden with China for the "renaissance' of the Orient, and she should have special connection with China especially viewed from economic relations. Under the influence of the conspiracy of the third nation, China has naturally misunderstood the situation, due to the fact that the character of the Japanese people is straightforward and naive. As a consequence of this, the Sino-Japanese negotiations in Nanking have reaped such an untoward harvest. Indeed, such unfortunate results are nothing but the fruits of destiny, which rules these two countries. We should be brave enough to get rid of all obstacles and to struggle for the welfare of the Orient."

$1,000 Offered by Honan Authorities for Arrest of Newsome Murderer

The Special Administration of the 5th District in Honan province Chengchow has offered $1,000 reward for the arrest of the murder or murderers, who are responsible for the death of George Hobart Newsome, American employee of the Hsuchang Tobacco Company at Hsuchang, Honan. Mr. Newsome was shot and killed on Dec. 3 by an unidentified gang who entered the company's premises.

Japanese to Be Protected If China Has Civil War

Influential political circles in Tokyo, Dec. 13 strongly urged the Government to take "appropriate" steps for the protection of Japanese lives and property in China if the current crisis, caused by the revolt in Sian, shows signs of developing into a civil war. Political observers in Tokyo unanimously hoped for a quick settlement of the controvery between Gen. Chang Hsueh-liang, the "Young Marshal," and the Central Government. These observers asserted that the Comintern is "pulling the wires" behind the Sian revolt.

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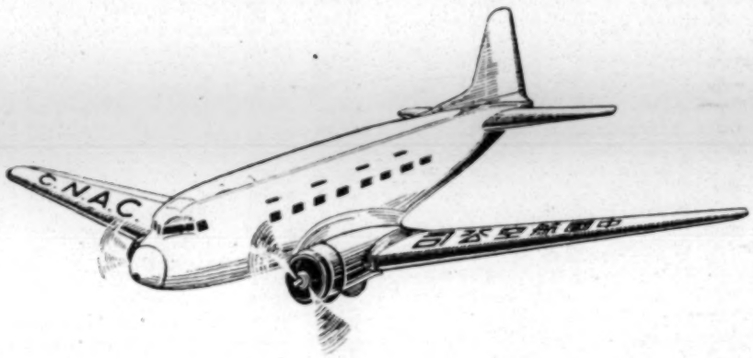

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'Pravda' Comments on Chinese Reaction to Japano-German Bloc

In an article entitled "China and the Japano-German Bloc," Moscow *Pravda* (Dec. 6) writes:

"It is natural that the public opinion of China, which from its own bitter experience well learned what 'anti-Communism' means in the language of the Japanese aggressors, reacted particularly sharply to the Japano-German Agreement. The seizure of Manchuria, Jehol, Chahar, Hopeh, the foundation of the marionette 'Anti-Communist State' of Yin Ju-keng, the paid agent of the Kwantung Headquarters, which has become a haven for smugglers, opium traders and other criminals, the cynical derisive violation of most of the elementary standards of international law—all this, as is well known, is done and is being done under the flag of 'anti-Communism'. Under this flag the Japanese militarists are attempting now to realize the bandit seizure of the Chinese Province of Suiyuan, while the Japanese Government in this connection gives one more example of its 'sincerity' by clumsily trying to veil the generally known facts with a hypocritical statement denying these facts.

Citing the statement of the organ of the Japanese militarists, the *Harbin Nichi Nichi*, that 'if Japan and Germany, taking the given Agreement as their basis, should jointly take action in the defence against Communism in Spain and China, the political effect would not prove small', *Pravda* continues: "It is not necessary to prove that the interpretation given by the Japanese militarists, even to the published part of the Japano-German Agreement, deserves attention as the most authentic interpretation. For precisely the Japanese militarists are, as is well known, the initiators and authors of the Agreement with Germany and it is they who are putting this Agreement into practice.

"The Japano-Italian Agreement, in which the plunderers in Africa and Asia mutually recognized the seizures made by them, was a direct natural supplement to the Germano-Italian and the Japano-German Agreements. As is well known, the Japano-Italian Agreement also primarily dealt a blow against China, since in exchange for Japanese recognition of the seizure of Abyssinia Italy virtually recognized Japan's annexation of Manchuria. The Chinese Government well knows what concrete demands are advanced and are being advanced by the Japanese Government under the cover of the proposition 'joint fight against Communism'. The demands 'joint fight against Communism' mean in the language of the Japanese plunderers the legalization of the dispatch of Japanese troops to any point in China, the constant distribution of Japanese troops to points which they recognize as dangerous from the view point of 'fight against Communism', and the transformation of China into a military 'ally" of Japan of approximately the same type as Manchukuo.

"Chinese public opinion naturally considers that the German military advisers in the Chinese Army are doing, and will continue to do, all they can in order to fulfil the obligations undertaken by Fascist Germany relative to its Japanese ally. The German advisers are, in the literary sense of the word, agents of the Japano-German military bloc, who have the possibility to carry out the work of disorganizing the Chinese Army, and by all means and measures to prevent the possibility of the utilization of the Chinese Army for the defence of the national interests of China.

"The Chinese people, fighting for their right to life, for their independent existence, understand through the experience of this struggle that the bloc of Fascist states, headed by Japan, is their irreconcilable, deadly enemy. The Chinese people see that they can save themselves only by firmly rising on their own feet, not in words but in deeds on the platform of the rescue of the country and people from the plunderers, with all forces able to carry on the fight."

Japan's Emigration Policy Fails, Because Populace Reluctant to Go Abroad

The Japanese emigration policy has been a failure, writes Mr. Ogishima, expert of the International Labor Office, in an article published in the *International Labor Review* in Geneva. This policy has failed, he stated, because of the reluctance of Japanese people to leave their country and because of the restrictions against Japanese emigrants set up by many countries.

As evidence of his conclusion Mr. Ogishima points out that only little more than a million Japanese live abroad, while the population in Japan proper has a yearly increase which reaches about the same figure.

At present statistics show that 1,058,328 live outside of the "Land of the Rising Sun." Of this number 56,000 live in China, 243,000 in Manchukuo, 150,000 in Hawaii, 156,000 in the United States, 202,000 in South Arfica, and 173,000 in Brazil.

The last mentioned is one of the largest colonies, Mr. Ogishima pointed out, and has the greatest possibility of development.

The main characteristic of Japanese emigration, he asserted, was the strict government control exercised on private organizations and activities, which is intended to avoid another failure similar to that suffered in connection with the United States. Emigration organizations in Japan, he wrote, take great care to see that all persons who leave the country as emigrants have some capital.

Love Versus a Throne—As a Chinese Sees It

BY T. S. YOUNG

LOVE rules supreme over this world. When blessed with love, the destitutes become rich and happy; the sluggards turn out to be energetic and ambitious; the slovenly-dressed desire to improve their appearance; the drunkards abstain from indulgence; and the pessimists begin to look forward with bright hopes. On the other hand, when deprived of or disappointed in love, even the millionaires appear to be poor and melancholy; the wits become dumb and taciturn; the smartly-attired neglect their appearance; the temperates betake themselves to excessive drinking to drown their anguish; and the optimists lose their hopeful outlooks. The gain of love gives new and uncanny strength to the men of dotage, while its loss causes the premature withering of many flowers of the youth. Many an individual would unhesitantly forsake his family and career for love, while many a king would readily accept love in preference to his kingdom.

Love is the most tender, the most sublime, but yet the most invincible of all passions. It can subdue friendship; it can vanquish filial piety; and it can also conquer patriotism. When a man is smitten with love, he at once becomes a very selfish creature, bent on his own happiness to the exclusion of all other considerations and relegating to the background his fine sense of friendship, his obligation to his parents and his duty to his country. No persuasion can change his mind which is determined; no remedy can restore sight to his eyes, which are blind; and no stimulant can sharpen his senses, which are numb to all feelings but love. Though abstract and insubstantial in form, yet it can be seen, felt and tasted. The expression of love in the form of caressing and kissing can be clearly seen by other people; the flame of love can be distinctly felt by any one who is in love; and the vicissitude of love, to quote a Chinese saying, can be perceptibly tasted: Sweet, when one's love is profusely requited; sour, when one is seized by the tire of jealousy; and bitter and hot, when one is jilted in love.

How Love Influences Mankind

I know of the great influence exercised by love over mankind, because I was once violently in love with a girl, when I was a student. In recalling this sad tale, I am still feeling my heart throbbing with anguish, though an interval of about ten years has now passed. I loved that girl with all my heart, and at one time became an abject slave to that passion. But in China, the marriage of a son is often decided by his parents, and we do not say that a young man marries a wife, but that his parents take in a daughter-in-law. Upon their learning of my love affair, my grandmother, parents and many other relatives unanimously raised a strong objection to my proposed marriage on the ground that the girl of my choice did not come of such a high family as to make the match desirable. They told me in unmistakable terms that such a marriage would not be sanctioned by the family, and requested me to make self-sacrifice for the sake of family prestige and family harmony. But I ignored all their appeals and threats, and was determined to carry out my wish, come what would. Just as the family crisis came to its climax, my beloved girl, fortunately or unfortunately, died of scarlet fever. Her unexpected death naturally caused great suffering to my body and soul, but it saved my family from a revolution—the occurrence of which, I am sure, would be grieved by all of my family members.

Carrying this sad memory with me, I can not help sympathizing with any man whose love affair has been prevented from coming to an happy consummation because of the many obstacles on the way of matrimony in the form of worn-out traditions, age-old customs, family honor, family prestige and superstitious beliefs. I read with sympathy the reports of desperate youths who, on the impulse of their desperation, either jumped into the Whangpoo River or swallowed a dose of opium, when their love affair was frustrated by family objection. I have not the heart to call these suicidal men cowards, for I know that there is no limit to which a man driven by love will not go. Likewise, I would not ridicule the stupidity and numbness of intelligent men, when they are disappointed in love. Nor would I call a king a fool, should he choose to sacrifice his kingdom on the altar of love.

Freedom of Choice in America and England

I have always thought how happy would be our domestic life, if we could choose our wives as freely as we select the pattern and color of our clothes, without being hampered in any slight degree by outside considerations and influences. In this respect, I have very much envied the lot of American and British people; for, in the selection of their wives, they are not dictated to by their parents, they are not fettered by traditions, they are not bound by superstitious beliefs, and they entertain no prejudice against widows and divorced women. They can walk throughout the country and ransack every dark corner for the girls who can ignite the holy flame of their love. Guided solely by the light of love, they may, at their own risk, embark on a matrimonial voyage. Should the ship of their matrimony come to an uncharted rock and become a wreck, they can apply to the Court to retrieve themselves from their difficulties. Once they are freed, they can immediately start another matrimonial adventure with the same courage and spirit as ever.

It, therefore, shocks me to learn that the King of a country, which is reputed to be one of the most democratic and where the people enjoy complete freedom in love affairs, should be denied the privilege of marrying the woman of his choice. The King in question is a popular sovereign, respected by his government and loved by his people. He is now over forty years old, and therefore is not a small boy, but a mature man. At such an age, a man, of course, knows what he wants, and can conduct his own personal affairs without the necessity of soliciting outside advice. Even in China, a man of forty years old is independent enough to select his own wife without the fear of encountering family objections. It is, therefore, paradoxical that in a country where freedom of love is a privilege enjoyed by all the common people, the King should be definitely told that his prospoed marriage with a woman of his own choice can not be countenanced by his government.

Choice of Women of Royal Blood Is Limited

The woman loved by the said King may be a foreigner, a commoner, and a twice divorcee, but she is still one of God's creatures just as the King himself. The proposed marriage may be morganatic, but from the anatomical standpoint, what is really the difference in the physical make-up between a princess of a royal house and a girl from Main Street? Eugenics may lay stress upon the selection of one's mate, but it is not known that it has ever raised any objection to a morganatic marriage. It is anachronism to talk about royal blood and family pedigree at a time when we have been repeatedly told that all men are created equal. If a king should confine his choice of his mate to the royal houses, then his chance of getting married would become smaller and smaller, inasmuch as the timber fit for queens becomes rarer and rarer as a result of the downfall of the Hohenzollern, Romanov and Bourbon Houses incidental in the War. Before long, a king will have to remain single, or accept any girl who can claim a distant relationship to King Arthur.

Leaving out the constitutional issue, which is too intricate and profound for a layman to comprehend, I believe that a king is not a Son of Heaven as claimed by our dear neighbor, but an ordinary human being made of flesh and blood. As a human being he is as susceptible to the attacks of winsome Cupid as any other human being. If a king, who is said to be loved by his people, can not pick his own wife, then what does this popular love amount to? And what is the pleasure and privilege to be a king? True, the woman married to the king will become the queen at the same time; but the relation between a king and his wife is matrimonial, while that between a queen and his government and his people is merely incidental. It sounds as illogical that a king should refrain from marrying his own picked woman because the government and people disapprove of her to be their queen, as that a common individual should be forced to give up his sweetheart because his family members refuse to accept her as their in-law. It really asks too much of a king to sacrifice his love and happiness for the purpose of upholding the conservative notions held by his government and his people.

The Blessings of a Beloved Wife

A king can not be expected to be content and happy simply because he is a king. Deprived of love, he, no matter how much respected by his government and loved by his people, will become as poor and unhappy as a love-forlorn man concealing himself in an obscure corner. As a common man, he stands in need of the blessings of a beloved wife. Court life may be fascinating, royal power may be far-reaching, and popular love may be overwhelming; but they are far from being comparable to domestic happiness, which can by no means be purchased with all the wealth offered by the kingdom. Without domestic happiness, a man is apt to get weary of his life, which provides no attraction, to lose interest in his work, which become irksome, and to look at the future with pessimism, because the future has nothing to offer to cheer him up.

The King has been asked to make the choice between love and the throne. As a true lover and a man of firm determination, he has made the fatal choice. It is not surprising that a king would take no relish in the glory of the throne when his heart is burnt with the fire of love. O Love! how cruel you are! You have deprived a country of a very progressive and enlightening King and the world of a very courageous and popular Leader. You are the King of Kings. You are indeed the supreme ruler of this great world.

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News Notes from Canton

(By the Review's Canton Correspondent)

From the Kwangtung Provincial Gambling Suppression Committee comes an order forbidding gambling in any form on river boats. All shipping companies are required to sign pledges that they will permit no mahjong or other gambling games on their boats.

Surveying instruments, valued at more than $100,000, were ordered recently by the Kwangtung Provincial Land Administration Bureau. They will be used in an aerial survey of the whole province, which is to begin soon.

Financial aid, amounting to $60,000, has been secured for the Dr. Sun Yat-sen Memorial Hospital in Canton from the Board of Trustees for the Boxer Indemnity Funds remitted by Great Britain. The money is to be used for the equipment of the Hospital and will be paid in installments over a period of three years.

Death will be the penalty inflicted on anyone exporting rice and foodstuffs from Kwangtung to foreign countries, according to an order issued by General Yu Hon-mow in conjunction with Chairman Huang Mu-sung. The order went into effect on Dec. 7.

Canton merchants will soon be able to avail themselves of a $10,000,000 loan fund in order to tide themselves over the New Year, according to Kong Ying-tze, manager of the Municipal Bank. Other banks will also be included in the enterprise. Ranging from $1,000 to $300,000 in amount, the loans will be made at an annual interest rate of 8%.

After midnight Canton policemen are authorized to question persons in the street, whether walking or riding in ricksha or motor car. Such particulars as name, address, occupation, and reason for going about during late hours will be asked by the officers. Although the policemen are instructed to be courteous in their questioning, they may take the person to the police station for furthur questioning should they deem it necessary.

That raw silk be accepted as collateral for loans by the Kwangtung Provincial Bank was a suggestion made recently by the Silk Improvement Bureau to the Reconstruction Commissioner of Kwangtung. This system, it is claimed, will help the silk producers greatly. At present, several million dollars is loaned to silk producers annually by foreign banks. The Silk Improvement Bureau points out that this may be changed by the Kwangtung banks making loans at moderate rates of interest.

The New Life Movement in Canton has entered the second stage of its program. This new stage includes activities such as winter relief measures, Lunar New Year customs reforms, spring tree planting, a summer health campagne, and preparations for National emergency. Students, government employees, and workers will be brought into active participation in the movement and they will be organized to direct the public at large. The duration of the new stage will be from this December until May of next year.

Canton's Chamber of Commerce has wired groups of overseas Chinese in all parts of the world requesting investment in Kwangtung industries. The recent unification, the wires point out, has assured the safety of commerciai and industrial enterprises in the Province. Information will be readily supplied to those interested by members of local merchant associations.

Dec. 13, 1936.

Dr. Hu Shih Believes Japan Will Adopt Milder Policy Vis-A-Vis China

Japan will adopt a milder policy vis-a-vis China in the future, Dr. Hu Shih, Dean of the College of Arts and Letters of the National Peking University and prominent Chinese scholar, declared in an interview with the *Central News Agency* representative in Nanking, Dec. 8. By making this prediction, Dr. Hu took exception to the recent report from Tokyo that the "Inner Cabinet" of the Japanese government will pursue a strong policy in China henceforth. As a matter of fact, Dr. Hu advised the public not to take the reported Tokyo decision too seriously for he said that the Japanese authorities have gradually realized the tremendous progress China has achieved in strengthening her defence forces as well as injecting into the mind of the Chinese people the new national consciousness.

"I am sure Japan will not run the risk of leading present Sino-Japanese disputes into a major conflagration unless she is driven to it," the eminent scholar asserted.

What gives rise to apprehension, however, is the attitude of the Japanese Kwantung Army, he said. Acting independent of the Japanese government in Tokyo, any blunt action taken by the Kwantung Army may lead to a major war. In that event there is ever reason to believe that as a nation Japan will be driven to stand solidly behind her follow servicemen in China.

Sianfu Coup Leaves Hankow Gasping

BY THE REVIEW'S HANKOW CORRESPONDENT

"The impossible has happened." That is the way Hankowites, Chinese and foreign, expressed themselves on Sunday morning (Dec. 13) as the news of Chiang Kai-shek's detention by the Young Marshal at Sianfu, Shensi, gradually filtered through the Wuhan center. How could it be true? Many doubted the authenticity of the report, adding "How could the Generalissimo fall into such a trap; surely he should have foreseen this event."

Attitude of the Wuhan Officials Calm

Although the events that have transpired since last Saturday in Sianfu have been enough to cause any loyal patriotic Chinese to boil with indignation, still the attitude of officialdom here in the Wuhan center has been one of calmness. At first it may have been just the effect of being stunned at the suddenness of the blow. Rumors began to fly thick and fast. Doubt was expressed as to whether General Chiang Kai-shek were still alive.

Rumor that the Generalissimo Had Been Murdered Spiked

Yesterday (Dec. 13) rumor had it that the Generalissimo had been murdered by the rebellious troops under Marshal Chang Hsueh-liang at Sianfu. Horror-stricken is the only word that would any where near describe the feeling and attitude should any such event ever transpire. Happily, judging from the telegraphic news reaching Hankow, the life of the national leader, General Chiang, has been spared.

Criticism of the Young Marshal on Every Side

Whether he has been at the center of the Sianfu revolt or not, the Young Marshal has come in for much serious criticism here during the past forty-eight hours. The usual epithets of "ungrateful", "unpatriotic", "ill-timed" are used to describe the disgust and anger of the loyal citizenry of this center. The Chamber of Commerce and the patriotic Christian organizations and other groups have sent long telegraphic messages to Marshal Chang Hsueh-liang urging him to release the chairman of the Executive Yuan, General Chiang Kai-shek and his colleagues.

Laudatory Remarks About General Chiang

During the past two three years there has been a definite increase in the regard and esteem accorded General Chiang Kai-shek here. Now when confronted with the possibility of having to lose him everyone in responsible position remarks: "He is the one man in China we could least afford to lose at the present juncture of national development." While not overlooking his past faults and present short-comings, by and large, the sentiment in the Central China provinces is for General Chiang. No doubt there are other shoulders on which the mantel might fall. Still, no one business man or government official would chose to change leadership today. All the more since the change-over might lead to certain groups becoming obstreperous, and in the ensuing chaos cause China to fall apart once again. This would be a great calamity now that the country has been unified as never before since the days of the Empire.

Has Marshal Chang Been Unduly Influenced by Red Propaganda?

There does seem to be room for the theory that the Young Marshal has been unduly influenced by Red propaganda and that he has not fully taken into account the possible consequences of his action. The Nanking telegram to the effect that Mr. Donald, his former advisor, was flying to Sianfu and would be allowed to land, was heartening news to the Chinese here. They hope that he may be able to bring the two men together again, and thus heal the breach between them. Surely this is no easy task and everyone in Hankow wishes him success in this difficult mission. Since all the principals of this tragedy have lived in Hankow, and since the future welfare of the whole nation is at stake, news from Sianfu is anxiously awaited as this letter is being typed. Hoping against hope, people are wondering whether the Young Marshal has been compelled by his rebellious generals to take this step. The feeling here is against any alliance with Red Russia in fighting Japan, lest the last state of China be worse than the present one. Most Chinese and foreigners believe that that would be tantamount to jumping from the frying pan into the fire.

Peiping-Hankow Railway Busy Sending Troops Northward

For the past fortnight troops movements northward have been heavy. They contniue. Also supplies and other useful equipment continue to pour out of this center. All available manpower is being drafted into the army. Troops are frequently seen marching through the streets of Hankow.

Wuhan Attitude Still Anti-Japanese, But Also Anti-Red

While the attitude of the man in the street is still anti-Japanese at heart, he is likewise anti-Red. He cannot forget that the Communists tried to do something for China in the 1926-27 period, but failed rather miserably. Then there has been the long protracted fight to rid the Central China provinces of the communistic influence. Now the recrudescence of the old doctrine and the subscription of government troops to their teachings, in order to get them to join in fighting Japan, seems to him like folly, sheer folly. Why ask one foe help fight the other?

Hankow Hopes for an Early Settlement of the Sianfu Trouble

Although hopes are not too high, most Hankowites feel that the Nanking government is dealing wisely with the delicate situation. They are willing to cooperate with the government in any reasonable measures. All the government officials and managers of large commercial concerns side in with General Chiang Kai-shek. They are doing all in their power to be of assistance in the present difficult situation in which the Nanking government finds itself.

Hankow, Dec. 14, 1936.

George VI Succeeds Edward VIII as King of England

Edward VIII ceased to be King of England and Emperor of India at 1.52 p.m. Dec. 11, when his Assent to the Abdication Bill—his last act as monarch—was pronounced by the Clerk of the Parliaments. His reign, which had begun at five minutes before midnight on Jan. 20, 1936, on the death of King George V, was at an end, and England had a new King, India a new Emperor—Prince Albert Frederick Arthur George, Duke of York. He will be known as George VI. With the pronouncement of the Assent by the Clerk of the Parliaments, Edward VIII, for the first time in his life, became a private individual and he is now free to marry Mrs. Wallis Simpson.

George VI was formally proclaimed King of England and Emperor of India at a meeting of the Grand Accession Council at St. James's Palace in London, Dec. 12. The new King, whose predecessor, Edward VIII, left England during the night in a destroyer, bound for an undisclosed destination, arrived at the Palace in the uniform of an Admiral, and walked to the crimson-and-gold throne. Nearly all the 300 members of the Privy Council were present.

The former King Edward sat hunched in a deep arm-chair at his country residence in Fort Belvedere, Dec. 10 toying a whisky while the fateful words were being read to Parliament 20 miles away, stripping the King of his crown and everything that goes with it. The King was alone as his decision to part with the crown in order to marry Mrs. Simpson was read to the world.

The Duke of York, who succeeded to the throne, and the Duke of Gloucester had visited the King earlier in the afternoon.

There appears little likelihood that, once the late King leaves England, he would ever again put foot on Empire soil, and it was believed that he would never again see his mother, Queen Mary, or his brothers after a sorrowful farewell. The Duke of Kent, however, would likely visit the King occassionally to maintain family ties.

Coronation Date Not Changed

It was officially announced in London, Dec. 12, that the coronation of King George and Queen Elizabeth will take place on May 12, the date originally set for the Coronation of the former King. There is much discussion as to what degree he will carry out the program previously scheduled for ex-King Edward. It is hoped that besides holding a Durbar in Delhi, the new King and Queen may be able to tour India. Their visit is likely to be invested with all the panoply of a State tour by the King-Emperor.

Geoge Bernard Shaw Says Edward Hated Job

"The King abdicated to marry Mrs. Simpson not because of any pressure by the Government, but simply because he hates the job and has had enough of it," George Bernard Shaw, the author and playwright, stated in the London *Daily Express* Dec. 10. The King did not consult Parliament during the crisis, Mr. Shaw wrote, but "Parliament, as usual, has been humbugged by the Cabinet. Mr. Baldwin has known for weeks past what was going to happen, yet he announced solemnly, day day, that everything was alright. The sympathies of the man in the street are unmistakably with the King."

Col. J. C. Wedgwood, Independent Laborite from Newcastle-under-Lyme, charged the Government with having compelled the King to abdicate, since it was impossible for Edward VIII "to remain on the Throne, surrounded by a ring of false friends who would have exploited his sentiments against the Cabinet."

Labor Party members in the House of Commons Dec. 11 attempted to learn whether the state had granted financial concessions to the former King, but the Deputy Speaker contended that a discussion of money would be out of order. The matter was consequently dropped.

Sir John Simon, Secretary of State for Home Affairs, explained that the phrase "Defender of the Faith" had been omitted from the Abdication Bill because the ex-King's message to Parliament also omitted the words.

Ireland Recognizes New King, But Abolishes Post of Governor-General

The Irish Dail in Dublin, Dec. 12, passed through its final stage a bill providing for the recognition of King Edward's

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abdication and the acknowledgment of his successor as head of the Commonwealth. This bill, which was signed by the Speaker, is in accordance with the provisions of a measure passed the previous day abolishing the office of Governor-General.

Abdication of Edward Caused Huge Losses to Maunfacturers

Manufacturers of Coronation souvenirs incurred heavy losses as a consequence of King Edward's abdication. It is estimated that nearly 8,000,000 pieces of Coronation pottery, already made, are now unsalable. Vast quantities of cottons and rayons printed with portraits of the former King are a total loss. Fortunately, some printed only with a Union Jack and a Crown can be used for the coronation of the new King.

Manufacturers of cheap jewellery souvenirs are badly hit, especially silversmiths who had ordered numerous metal dies costing £15 apiece.

Thousands of copies of the new Prayer Book are out of date, while the Post Office must cancel new stamps and also install new pillar boxes, numbers of which, bearing the letters "E.R.," have only just been completed. The Mint, it is understood, was ready to issue new coinage in the New Year, but there will now be no Edward VIII coins.

Late King Is Now Duke of Windsor

King George has conferred the first honor of his reign on his predecessor, who, on his abdication, gave up all his titles and became plain Edward Windsor. His Majesty has made the ex-King "His Royal Highness the Duke of Windsor." This means, that when the former ruler marries Mrs. Ernest Simpson, the American woman for whom he relinquished the throne, she will become Duchess of Windsor.

China's Good Wishes Sent by President Lin Sen

Lin Sen, Chairman of the National Government, sent the following congratulatory message to King George VI of Great Britain Dec. 13:

"On behalf of the National Government and the Chinese people I have the honor to extend the most sincere wishes on the occasion of Your Majesty's accession for your personal welfare and the happiness of the British people as well as for the cordial friendship between our two countries."

Late King Reaches Vienna

The former King Edward VIII arrived in Vienna Dec. 13 aboard a special train from Innsbruck and immediately drove off for Schloss Enzesfeld, 15 miles from Vienna, where he will stay as the guest of Baron Louis Rothschild.

Pledge Required Against Opium Smoking from Canton Officials

Government officials in Canton, university professors and teachers are now required to sign a sealed declaration that they do not smoke opium or use any dangerous drugs and that if they are caught using opium they are willing to accept punishment. This is special punishment, as opium smoking is not yet an offence under the laws of the Republic. The prohibition begins with public servants and teachers. Opium rendezvous in Canton are gradually being abolished.

Gambling is a serious offence in Kwangtung. Officials who used to work in Nanking consider that the Cantonese are notorious for gambling, and the anti-gambling laws are more strict in Kwangtung than in other province. Mah Jong can be played at home in Nanking, but it is strictly prohibited in Canton.

The Anti-Gambling Committee orders county magistrates to see that gambling in prisons is also prohibited. Convicts should have other forms of relaxation and diversion.

Importance of International Publicity for China Stressed by Meng Chih

In order to elevate her position in the family of nations, China should lay greater stress on the problem of her international publicity, declared Meng Chih, Director of the China Institute in America, in an interview with the *Central News Agency* in Nanking Dec. 9.

Japan's international publicity, Mr. Meng added, is organized on a far more efficient basis than China's, and China should establish news bureaus abroad like those established by the Japanese *Domei News Agency*, he said.

The main function of the China Institute, according to Mr. Meng, is to supply to the American public materials on China, which are much in demand in the United States.

At present, he said, the Institute is publishing a monthly entitled, "China Institute Bulletin", occasional monographs on various Chinese topics, and other reference booklets.

Speaking of public opinion toward China, Mr. Meng said that America's attitude vis-a-vis China has, since the beginning of August, become increasingly favorable.

AMERICAN STENOGRAPHERS STAGE NOVEL STRIKE

In New York City recently the stenographers of a large establishment donned Chinese coolie clothes and went on strike. They said they were only getting "coolie" wages. Picture shows them picketing the entrance to the offices of their employer.

U.S. to Start Construction of Two Battleships Next Year?

If President Roosevelt gives his approval, the construction of two new U.S. battleships will begin early next year, naval quarters in Washington recently predicted. The approximate cost of each unit will amount to $55,000,000, almost one-third of which will be allotted to guns and armor. Rear-Admiral Norman M. Smith, chief of the bureau of yards and docks, announced that the Navy Department has rejected the bids of Bethlehem Shipbuilding Company for the giant floating dry-dock at Pearl Harbor, Hawaii. He said two navy yards on the Pacific Coast will submit an analysis of the estimates soon.

Japanese Send Food to Hawaii to Succor Follow Nationals

With the Japanese population of the Hawaiian Islands facing famine as a result of the American shipping strike, the Nippon Yusen Kaisha has made preparations to rush more than 10,000 tons of foodstuffs to Honolulu.

Strikers Prevent Japanese Oranges Being Unloaded at Seattle

Delivery of a cargo of Japanese oranges reshipped by train from Vancouver was prevented in Seattle, Dec. 9 when striking longshoremen picketed the warehouse of the Pacific Fruit Produce Company and blocked unloading activites. The shippers had hoped to evade the strike by taking the cargo off at a Canadian port and shipping it on to Seattle by rail.

1937 Will be Best Year for U. S. Since 1929, Prediction Made by Daniel Roper

Secretary of Commerce Daniel C. Roper, hailing the steady improvement of economic conditions in the United States during recent months, Dec. 9 forecast that 1937 would be the best business year since the stock market crash of 1929. If the better adjustment of relationships in the nation's economic life is also taken into account, 1937 will even be more satisfying than 1929, he added.

Crash of 14-Ton Bomber May Stop Construction

Suspension of further construction on the 13 16-ton army bombing planes being built by the Boeing Airplane Company was forecast in Congressional circles this week as the result of the recent accident in Seattle, where one of the planes nosed over in landing. Thomas S. McMillan, Congressman from South Carolina, who ushered the current army appropriation through the House, declared that further expenditures on this type of plane should be withheld until it can be determined whether structural and mechanical defects are responsible for such accidents. He recalled that the first of these giant bombers crashed in Dayton, Ohio, a little more than a year ago.

World Rayon Figures Show Japan Overtaking U. S. as the Largest Producer

Japan is now replacing the United States as the largest rayon producer in the world, a position which has been held by the United States since the World War, the New York rayon organ *Rayon Magazine* reported Dec. 8. Japan's production of rayon during the first ten months of this year amounted 221,800,000 pounds against 164,000,000 pounds for the same period of last year, according to the magazine. It is predicted that on this annual basis the 1936 Japanese production of rayon might approximate 275,000,000, pounds. In addition to this, a production of 50,000,000 pounds of staple fibre is estimated, making a total 325,000,000 pounds. The United States' output in 1936, it is predicted, will show a gain over 1935 of 257,600,000 pounds, but that total will be substantially short of Japan's.

The *Rayon* organ estimates the annual capacity of the entire rayon industry of the United States during November at 325,000,000 pounds, based on 150 denier rayon. It is expected, however, that the new capacity, now being planned, will raise the total to 400,000,000 by the first quarter of 1938. Nevertheless a continued yarn shortage seems likely in view of the expected normal growth of yarn demand in 1937 and 1938.

There is an increasing shortage of rayon pulp all over the world. Despite constant efforts, manufacturers are unable to obtain as much as they require, and some are even obliged to give up their extension schemes. The *Textile World* some time ago estimated the 1936 rayon and staple fibre outputs at 1,000,000,000 lbs. and 250,000,000 lbs., respectively, but these figures may not be realized in the face of this raw material shortage. Efforts are being made by many countries to secure raw material resources. Germany is reported to be planning an embargo on the export of pulp. Messrs. Cortauld Limited, England, is stated to have given up its extension scheme because of the difficulty in obtaining pulp. Italy has recently announced its intention of producing 1,000,000 tons of pulp a year from straw.

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U.S. Announces Industrial Mobilization Rules for War Emergency

A draft of the projected industrial mobilization, by which the United States, in the event of war, would promptly take control of foreign and territorial commerce by handling shipments of all basic staples, such as sugar, coffee and rubber, as well as arms and ammuntiors, was jointly released by Secretary of War Harry L. Woodring and Secretary of the Navy Claude A. Swanson in Washington, Dec. 10.

The plan provides for the establishment of a "War Trade Administration" facilitating co-operation with other Governmental organizations and also provides for the control of all forms of transportation.

Following Congressional approval of a "War Emergency Act," the President would issue a proclamation, under which arms, munitions and 67 specific commodities could be exported from the United States and its territories only in times and amounts prescribed by the President. These commodities include coconut shells, tungsten, jute, kapok, manila fiber, sugar, camphor, opium, quinine, tin, antimony, rubber, silk, shellac, chromium and manganese.

Objects of the industrial mobilization project are first, to seek control of exports and imports through a licensing system; second, to apply economic pressure on the enemy through the preclusion of purchases and trade negotiations; third, to administer price control policies; fourth, to conserve ocean tonnage through import restrictions and priority control of export shipments.

Outlook for Prompt Settlement of U. S. Shipping Strike Not Favorable

(From the Japan Chronicle)

Absence of news on the American shipping strike means only one thing—the outlook for settlement is not favorable. A local resident who spoke to Seattle on the radio-phone informs us that opinion there leans to the belief that there will be no developments before January. "Of course a strike is a strike, and there may always be an unexpected change in the situation," said the Seattle speaker, "but present indications are that there won't be a settlement this month." Apparently both men and companies are holding firmly to their original standpoints. The Unions are still in funds, though their reserves must be sinking low by this time, while the companies continue to shoulder very heavy losses. The remarkable thing about it is that the Department of Labor has not been more active in securing a settlement. Miss Perkins did a lot of talking and a little travelling during the last Coast strike, but there has been practically no official intervention this time. Of course there have also been no water-front battles, which is something for America to be thankful for, but it shouldn't be necessary to wait for clubs and tear-gas before deciding that national interests demand national action.

Pan-American Peace Pact Signed by 21 Nations at Buenos Aires

Consultations to determine a method of permitting American republics to co-operate in action tending to safeguard peace in the event of war outside menacing the American continent are provided in the Pan-American Peace Pact signed in Buenos Aires, Dec. 13, by the 21 nations represented at the Pan-American Peace Conference.

The pact, which now awaits ratification by the parliaments of the signatory countries, will be the strongest guarantee for peace in the Americas, if executed, in the opinion of Cordell Hull, United States Secretary of State.

Among the provisions of the treaty are the following:

1. When peace in any American republic is menaced, all South American governments who are signatories of the Briand-Kellogg pact outlawing war or of the Conciliation Treaty of 1933, must consult with those republics with the object of promoting peaceful co-operation.
2. In the event of war between American nations, signatories of the pact will be bound immediately to begin mutual consulations in order to clarify the obligations appertaining to the Briand-Kellogg pact and the Conciliation Treaty.
3. The American governments declare that no nation has the right to intervene, either directly or indirectly, in the internal or external affairs of any other nation. Any violation of this article will lead to immediate consultations among other nations with the aim of arriving at a pacific solution.

Cordell Hull, the United States Secretary of State, speaking in Buenos Aires, Dec. 12, expressed the opinion that the proposal, if executed, would be the strongest guarantee for peace in the Americas. The plan, he added, offered a valuable example to the conntries of other continents.

Japan-Australia Wool Trade Feud Comes to an End

Terminating a five-month bitter commercial feud with Australia, the Tokyo Foreign Office Dec. 12 instructed Consul-General Kuramatsu Murai in Sydney to accept the Canberra Government's proposal for the purchase of 800,000 bales of Australian wool in the next two seasons. The Commonwealth Government has already agreed in principle to purchase in return 102,000,000 sq. yds. of cotton and rayon textiles a year, in addition to 20,000,000 yds. of calico material for wheat flour bags. The Gaimusho took the action in collaboration with the Ministry of Commerce and Industry.

Informed quarters in Tokyo expect the inauguration of formal negotiations to be accompanied by the voiding of the provisions of the Trade Safeguarding Law, now barring Australian goods from Nippon, and the simultaneous lowering of the prohibitive tariff clamped on Nippon-made products by Australia last summer.

Hachiro Arita, Foreign Minister, informed the Cabinet that the new arrangement will wipe out the former unfavorable balance of trade between the two nations. In 1935 Japan's purchases of Australian goods exceeded exports to the Commonwealth by about Yen 180,000,000. Exporters of cotton textiles and yarn in Osaka agreed to place 70 per cent of the exports to Australia on a quota basis, with the remaining 30 per cent being awarded to the highest bidder. This scheme will remain in effect for three years.

The new arrangement will be supervised by the Nippon Cotton Yarn and Cloth Exporters' Guild and the Nippon Rayon Cloth and Yarn Exporters' Federation. The imported wool will be alloted to manufacturers by the Nippon Wool Imports Control Association.

Pig Iron Boom in Japan Brings Price Advance

With the world pig iron quotations soaring as a result of boom in the armaments industry, the Japan Pig Iron Sales Guild Dec. 12 decided to raise the present price of Yen 49.50 per ton to about Yen 58 per ton January, February and March deliveries.

The shortage of pig iron supply in the Island Empire has already induced the semi-official Japan Iron Manufacturing Company to purchase iron abroad at prices averaging Yen 5 a ton higher than the prevailing domestic quotation. The possible effect of the conclusion of the German-Japanese anti-Comintern accord on Japan's purchases of pig iron in Soviet Russia was also given by industrial circles as a reason for increased purchases of pig iron in Europe.

Alarmed by the shortage of pig iron, Dr. Ogawa, Minister of Commerce and Industry, is reported to be planning the following steps: Introducrion of a bill in the next session of the Diet providing for a two-year suspension of customs tariff on pig iron; unification of the pig iron sales organizations in Japan and Manchuria.

Japanese Foreign Trade Ends in Deficit for Ten Days

The Tokyo Ministry of Finance Dec. 10 revealed that Japan's foreign commerce during the first ten days of December had resulted in a Yen 5,224,000 excess of imports over exports. Cotton textiles, with Yen 14,395,000 led the list of exports, while raw cotton, valued at Yen 33,724,000, topped the imports.

Stocks Slump in Tokyo as Result of China Events

Reflecting the uneasiness of the business and financial circles in Tokyo, over the events in China, short-term debentures on the Tokyo Stock Exchange broke sharply Dec. 14. Short-term issues of Tokyo Stock Exchanges, New, were dumped on the market, and dropped by Yen 1.50 to Yen 136.40. Leading shares also fell, both old and new issues of the Kanegafuchi Spinning Co.; those of the Nichiro Fisheries and Japan Soda being quoted Yen 1 to Yen 2 lower. Long term issues were also dull with a marked tendency towards weakness. On the commodity market, cotton yarn fell Yen 2.20.

Rolling Stock for Tokaido Express Declared Obsolete

Criticism by foreigners and Japanese who have traveled aboard the obsolete rolling stock used for the Fuji and Sakura special expresses has resulted in determination by the Railway Ministry to spend Yen 1,600,000 to make these trains world famous, the *Jiji* reports. Each new car costs about Yen 40,000 to build, and it is planned to construct four 10-car trains if the project materializes. The cars now making up the Fuji and Sakura are about 10 years old. Because other nations are putting their best-equipped trains on their main lines, the bureau of tourist industry has been seeking to have new coaches constructed for use on the Tokaido. If these de luxe cars are built, they will be available by 1940.

Japan Will Continue to Show "General Died at Dawn," with Excisions

With one complete visual sequence and three dialogue passages eliminated, "The General Died at Dawn" will soon return to the screens of Japanese theaters after being temporarily withdrawn for re-examination by the authorities at the request of the Chinese Embassy, recent messages from Tokyo stated. The scenes to be cut will be those showing the torturing of prisoners, while the audible passages to be blotted out will include an "insinuation that only Shanghai is immune from lawlessness," a reference to the taxation of Chinese peasants and another passage said to "misrepresent and ridicule the Chinese people."

Tokyo Gives Up Hope for Pacific Forts Accord

With the Washington Naval Treaty expiring within three weeks, officials of the Navy Ministry Dec. 10 gave up hope for the retention of the clause restricting the construction of fortifications in the Pacific. The officials placed the blame for this situation upon the shoulders of the United States Government, which rejected Great Britain's proposal to renew Article XIX of the Washington Accord.

Tokyo Privy Council Puts Stern Questions to Gaimusho

Stern interrogations regarding the diplomacy of Mr. Arita, the Japanese Foreign Minister, were made during an informal meeting held following the conclusion of the regular session of the Privy Council Dec. 9. The queries advanced by the Privy Council, which were described as tenatamount to a warning to the Foreign Minister, pointed out the mistakes in Japan's present diplomacy, which may cause irretrievable difficulties to the state and enjoined upon the Government not to be led by vulgarism or over-powered by certain influential circles to the detriment of the very foundation of the country.

Japanese Fascists Arrested in Tokyo

Arresting seven leaders of the so-called Fascist Party on charges of blackmailing horse race clubs, the police in Tokyo Dec. 11 dealt a fatal blow to one of Nippon's principal reactionary organizations. Kambei Umetsu, director-general of the party and a famous gambler, was arrested by the police last month on charges of gambling.

Japanese Journalist Discusses Soviet Policy in Far East and Spain

Conviction that the Soviet Union, though committed to assist the "people's front movement" wherever it exists, Spain or China, will not give assistance in a manner that will make it responsible for bringing on a war between major Powers is voiced by Katsuji Fuse in an article on the diplomatic tendency of the U.S.S.R. in the Tokyo *Nichi Nichi*, for which he was formerly correspondent in Moscow.

After enumerating the achievements of the Soviet Union since the renunciation of Leon Trotsky's policy of world revolution, the writer asks whether the Kremlin, now that it has stabilized and strengthened its power at home, will not seek large-scale advances abroad and will not assist the leftist Government in Spain as the prelude to a campaign to universalize the "people's front."

"The Kremlin's assistance to the Spanish People's Front reminds one of the assistance given by the Soviet Union in the Chinese national revolution," Mr. Fuse continued. The revolution, set in motion in Canton 10 years ago, was of course the result of cooperation between Nicolai Lenin and Dr. Sun Yat-sen. But by the time the expedition against the North was started, both were dead, and Josef Stalin and General Chiang Kai-shek had succeeded to the task of achieving the revolution. Thus General Chiang had on his staff General Galen (now Marshal Vassily Bluecher, commander of the Soviet army in the Far East) and Michael Borodin as military and political advisers. These two undertook to assist and direct the revolutionary movement in China.

"Simultaneously with the northward advance of the National Revolutionary army under General Chiang, the army of General Feng Yu-hsiang moved south, and the old regime was hemmed in by two fires. The military cliques of the old regime and the Mukden and Anfu cliques were made helpless. The revolution progressed exactly as ordered by Mr. Borodin and General Galen, and for a time it seemed as though Moscow would have all the say in Chinese affairs. But from the first the ideologies of General Chiang and General Feng had been doubted by the leaders at the Kremlin. There was every indication that these generals had allowed Moscow to interfere in Chinese affairs merely as an expediency. What probably deceived Moscow for a time was the smooth progress of the revolution.

"While the National Revolutionary Army advanced to the Yangtze, Mr. Borodin and his assistants went to Hankow, Wuchang and Hanyang to spread Red propaganda. At the crucial moment of seizing Shanghai, however, General Chiang staged a coup d'etat, and the Chinese revolution turned from a pro-Soviet to an anti-Soviet policy. Mr. Borodin and all the others had to make a hasty retreat; in fact, they fled for their lives.

"As far as the Chinese revolution was concerned, the Soviet Government quickly recognized its failure and at once withdrew. But will it withdraw its hands so readily from the Spanish People's Front? The Soviet Union has advanced so far in national strength and armaments that it is no longer what it was 10 years ago. It may be that not only in Spain but also in the Far East the Soviet Government will spread its net. The Chinese revolution was a failure for Moscow, but the Chinese Communist Army of Chu

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Te and Mao Tse-tung is yearly gaining strength and watching for an opportunity to grab central power. With the Madrid crisis heightening, may not Moscow, impatient to assist the Spanish Government, try to help the Chinese Communist Army, taking advantage of the troubled situation in North China and Inner Mongolia?

"In answering such a question, one cannot help recalling what Karl Radek, famous commentator on foreign affairs in the Soviet press, who is now under arrest on suspicion of complicity in the recent terroristic conspiray against the Government, used to say when asked whether the U.S.S.R. would participate in a second world war. 'The Soviet Union will not participate in any second world war and will not leave its seat in the gallery.' he said. 'It will most probably sell arms and provisions to the belligerents on both sides and make plenty of money. Eventually both sides will become exhausted, and the final act will be in the hands of the Soviets.'

"This is not Mr. Radek's individual opinion but a reflection of the Kremlin policy on the whole. Marshal Voroshilov told Ambassador Tamekichi Ota as he was leaving Moscow this summer: 'Among the military authorities of the European Powers, I do not think there is another person who has had more experience than I in actual warfare. Because I am so experienced, I have no desire for war. The Soviet Union will never challenge Japan to a war, and I hope you will tell this to the Japanese Government and people.'

"As a matter of fact, the statesmen of the Kremlin have nearly all been seasoned by long years of revolution and war and are too familiar with actual fighting to seek to plunge themselves into another war. They are Communists, moreover, whose credo is that the decisive battle is won by economic warfare.

"From these considerations, it will be seen that the Soviet Union most probably will confine itself to assisting the Spanish Government or the Chinese Communists in a manner that will not make it bear responsibility for disturbing world peace. There can be no doubt that the Soviet is committed to assistance of the "people's front movement,' be it in Spain, China or elsewhere, and that it is actually engaged in it, but it may be presumed that that extent to which it will intervene or assist will stay within the bounds of exemption from responsibility for bringing on a war between major Powers. At least, it is not far wrong to judge this to be the diplomatic tendency of the Kremlin."

Nagano Asks for Passage of Record Navy Budget

Members of the House of Repreesntatives were urged Dec. 15 by Admiral Osami Nagano, Navy Minister, to pass the record naval budgetary appropriations for 1937-38 without modifications, "to enable Japan to establish firmly the principles of non-aggression and non-menace". Answering queries by curious parliamentarians, Admiral Nagano said that the German-Japanese anti-Comintern pact was concluded "because of the realization that Communism is incompatible with our national polity." He also said that the Government would "continue its former policy of co-operating with Great Britain and the United States."

Japanese See Bright Trade Prospects in Abyssinia

Japan's economic interests in Abyssinia are expected to be completely secured by the Italo-Japanese agreement and on its basis negotiations connecting the readjustment of trade relations between Japan and Abyssinia will be opened in the near future, according to all Japanese papers. Japan has an ambition to regain the interests and trade rights which it maintained until before the outbreak of the Italo-Abyssinian War.

It is unknown as yet what form the prospective trade negotiations will assume, the enlargement of the sphere of application of the present Italo-Japanese trade convention on the basis of an exchange of official notes or other measures to secure Japan's trade interests. Due to lack of reliable statistics in Abyssinia, the exact amount of imports of Japanese goods there is unknown.

Japanese goods formerly were imported through Djibouti in French Somaliland or through Indian traders. Cotton cloth and miscellaneous goods imported there from Japan are estimated at about Yen 10,000,000 a year, the *Miyako* reports. Virtually not a single ton of goods was imported into Japan from Abyssinia. However, Japan may import raw cotton from there, since Italian authorities are making strenuous efforts to increase cotton production in the territory.

Abyssinia is importing cotton yarn and cloth, weapons, glassware, pearls, table salt, petroleum products, refined sugar, bicycles and others and is exporting coffee, ivory, rubber, wax, furs, leather and butter. Italy attaches great importance to wool and cotton production as a source of raw material.

The *Hochi* reports that Japan's exports to Abyssinia have gained considerably since 1932. Even in official statistics it is mentioned that exports of Japanese goods there in 1934 amounted to Yen 4,091,000. Cotton cloth occupied 80 per cent of all Japanese exports to Abyssinia. Exports of such cloth through Aden and Somaliland totaled about 60,000,000 squrae yards. If the direct and indirect export amounts are combined, the total export value of cloth alone will be more than Yen 6,000,000,000, according to the paper.

Aftermath of February Mutiny—"Al Smith" of Japan Arrested

Lifting a nine-month press ban, the Tokyo War Office Dec. 14 revealed the arrest of Fusanosuke Kuhara, the "Al Smith" of Japan, on a charge of being involved in the sanguinary mutiny of Feb. 26. The War Ministry's communique caused a sensation, since Mr. Kuhara was not only known as "the man behind the Seiyukai," leading political party, but was also a prominent industrialist and munitions-maker. The statement, the interest in which was dimmed only by the news of the Sian revolt, also shed light on the plans of the mutinous officers, after they had succeeded in murdering three of the highest Army, Court and Government officials.

Following an examination of Mr. Kuhara, the statement said, it was decided that there was insufficient evidence to prosecute him on charges of aiding the revolt or seeking to profit from it. It was decided, however, to hand Kuhara over to the Procurator's office of a local court to stand trial on a charge of giving shelter and counsel to one Tetsuya Kamekawa, said to be involved in the mutiny.

Mr. Kuhara, it was established during an investigation conducted by the Tokyo Court-Martial, made Mr. Kamekawa's acquaintance in 1934.

Subsequently, Mr. Kamekawa kept Mr. Kuhara informed of the trial of Lieut.-Col. Saburo Aizawa, who was executed last spring for murdering Lieut.-Gen. Tetsuzan Nagata, Director of the War Ministry's Military Affairs Bureau, and also of the activities of "young officers," linked with Koji Muranaka and Asaichi Isobe, leaders of the mutiny.

On Feb. 10 Mr. Kamekawa told Mr. Kuhara that "young officers" intended to stage the revolt on Feb. 19. Although the uprising did not materialize, Mr. Kuhara gave his friend Yen 5,000 on Feb. 23. On the night of Dec. 25, Mr. Kamekawa informed Mr. Kuhara that the revolt would be staged the following morning, when the mutinous troops would attack the Metropolitan Police Board, Prince Kimmochi Saionji, the only living "Genro," Premier Admiral Keisuke Okada and others. On the morning of the uprising, Kamekawa made a detailed report to Kuhara on the developments, revealing that the rebellious officers desired the formation of a Cabinet directed by Gen. Jinzaburo Mazaki, Member of the Supreme War Council.

At 2 o'clock that afternoon, Kamekawa reported a change in the officers' opinion, Admiral Eisuke Yamamoto being mentioned as the statesman they wanted to see at the head of the next Cabinet. The mutinous troops, he said, were willing to surrender as soon as such a Cabinet was formed. Five hours later, Kamekawa once again informed Mr. Kuhara that there was no hope of forming a "military Cabinet", since pressure was brought upon high Army and Navy officials to decline the task of forming a Cabinet.

How Army and Navy Officers Menace Public Opinion in Japan

(*Editorial in the Tokyo Asahi, Dec. 3*)

The army is openly declaring that what was recently ascribed to the army as its opinion on Diet reform represents merely the private view of a section of officers and that the fighting service as a whole has no desire to revise the Constitution or repudiate the Diet. On the other hand, the army is hoping for a sound development of constitutional politics in Japan. This desire was expressed by War Minister Hisaichi Terauchi Wednesday when he answered questions from members of the Diet System Inquiry Commission.

The meeting was a success. However, the question has not been thoroughly solved by this meeting, but will be left to discussion at the next Diet session. One thing that must not be ignored in connection with the question is that the great wave of sensation was caused by the utterance of army men and not any high civil official or leader of a political party. Why? This is because the army itself has great power over the present political situation and because the army is a propelling force for the reform of policies.

What is generally believed as being the army's opinion is not that of the War Minister, but of the officers under him. Because of this, the army's or navy's opinions have been a menace to the public ever since the Manchurian incident. The public is now thinking that the military have more reform opinions than the political parties. It is necessary for the military to remove such an impression in connection with the progress of army and navy reforms. War Minister Terauchi declared at the meeting that political actions of individual army men must be strictly prohibited, but that officers of the War Ministry and other army institutions are able to give their advice to the Minister on defense policies. This means, he said, that they can assist their Cabinet Minister. What caused War Minister Terauchi to declare this is the present system under which the War and Navy Ministers must be on the active list and all the Ministers are members of the Cabinet. In a sense, the present question may be interpreted as being derived from the fact that the War Minister is an army man on the active list. Under the present system, it is impossible for a Cabinet to reject the advice of the War or Navy Minister, as both are Cabinet members. The military's participation in politics is unavoidable under the present system.

Japanese Publisher Detained as Suspected Spy

Alleged to have indirectly furnished information about the Japanese army to an Embassy in Tokyo, Katsuhei Zama, 51, publisher of the *Naigai Information* Report, was secretly detained by the Metropolitan Police Board last week and charged with being a spy, according to the *Yomiuri*.

Police allege that some of the information reached Boris Rodov, attache at the Soviet Embassy, the paper continued.

Mr. Zama received Yen 20 a month for delivering information to Hirokichi Otake, who in turn handed it to members of the Embassy, according to Mr. Otake's statement to the police, says the *Yomiuri*.

Among the items listed as having been delivered by Mr. Zama to Mr. Otake were the manifesto of the February 26 rebels, early in March; 30 mimeographed pages of banned seditious literature, Suggestions on Disciplining the Army, in August; a mimeographed diagram showing cliques and factions within the army ranks, late in August, and recently a document concerning the action of Prince Teh, Inner Mongolian chieftain.

Mr. Otake is the founder of the Naukasha, Kanda, which sells and publishes books on the Soviet Union. He was arrested by Gotemba police on August 1 in Shizuoka Prefecture. Since Nov. 26 he has been confined at the Kojimachi police station.

Determined not to name his associates, Mr. Otake once tried to crush his head by dashing against the wall of his cell in Gatemba. Nor did he easily confide in the police concerning his deals with members of the Embassy, the paper held, but he finally named Mr. Zama as a man from whom he had obtained information. Mr. Otake said that he delivered the manifesto and the document on discipline to Mr. Rodov, the *Yomiuri* proceeded. However, the paper did not name the Embassy involved in the allegations.

Mr. Zama organized the *Eastern News Agency* in 1927 and has been specializing in the collection of reports concerning Korea and China. During 1931 and 1932 he was the editor of a newspaper. For three or four years he was in close contact with the young officers who participated in the Feb. 26 incident, the paper added.

Tokyo Sends Orders to Third Fleet Head in China to Protect Lives of Japanese

Basic instructions designed to guide Vice-Admiral Kiyoshi Hasegawa, the new Commander-in-Chief of the Third Fleet, in any situation which may arise out of the mutiny in Sian, were sent to Shanghai by the Tokyo Navy Office Dec. 14.

The orders to Vice-Admiral Hasegawa instructed him to "stand-by" for the protection of Japanese lives and property in China, in view of the possibility that the Sian mutiny might result in nation-wide confusion.

Government officials in Tokyo declared that the mutiny is "an object lesson" of the necessity of a Sino-Japanese anti-Comintern agreement. Gen. Chang Hsueh-liang, they said, was formerly the deputy Commander-in-Chief of the anti-Communist expeditionary forces, but has now "thrown his lot in with the Communist cause" by carrying out the coup.

The rebellion, Tokyo officials asserted, has unrolled before the eyes of Japan in particular and before the world in general a vivid picture of the Communist activities.

Commenting editorially on the situation in China, the *Tokyo Hochi*, leading daily, predicted that the Japanese Government would take a "watchful and waiting policy, without taking any positive measures, unless Gen. Chang Hsueh-liang's avowed hostile attitude takes a definite form or he establishes a joint anti-Japanese front with Soviet Russia."

Japanese Foreign Office Decides to Send Press Attaches to Principal Foreign Centers

Establishment of the first links of an eventual worldwide chain of press attaches to Japanese diplomatic and consular establishments will be carried out during the coming fiscal year, the *Tokyo Nichi Nichi* stated recently. The first are to be placed in New York, London, Paris and Berlin. In the following year, others will appear in Tientsin and Rio de Janeiro, and in 1939 they will go to San Francisco and Canton.

So far Japan has been behind the other Powers in its campaign to spread propaganda and gather information, the paper admits. To correct this fault, the Foreign Office has decided on the "bold move" of stationing press attaches in eight of the principal cities of the world. Officially, these attaches will be known as "joho shokikan," or information secretaries. Their task will be to spread through the foreign press information on conditions and "situations" in Japan. If the effect of their work seems beneficial, the network will be widened, and other important world centers will get Japanese press attaches. Because of the importance of the posts, the men for these positions will be picked from among the first, second and third-class secretaries in the Foreign Office. Their assistants will come from non-career circles, as their work will be that of neither a diplomat nor a reporter.

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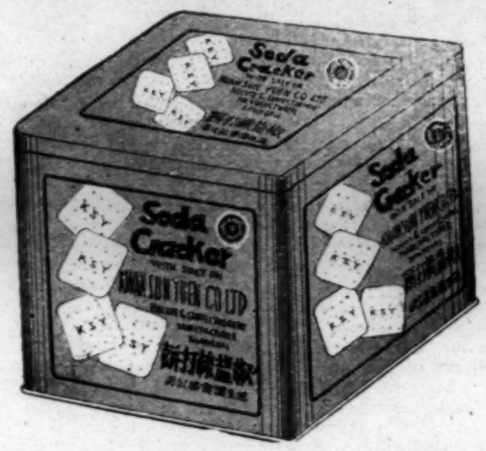

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Adulteration of Beef and Pork With Dog Meat Discovered in Tokyo

Rumors that adulterated, unsanitary and partially decomposed meat was being shipped to Tokyo from neighboring prefectures to take advantage of the New Year rush resulted in a check-up last week by the Metropolitan Police Board of all supplies coming into the capital over the five main highways. This in turn, says the *Japan Advertiser*, revealed that the charges were true and that in at least one case dog meat was being mixed with pork and beef for sale in the city, the *Nichi Nichi* reports.

Officers from the veterinary section of the board's hygiene department, cooperating with the Komatsugawa, Senju, Akabane and Itabashi police stations, were stationed along the Chiba, Rikuu, Omiya, Nakasendo and Aoume roads leading into the city from the north and west. They inspected all loads of meat coming to the capital over these routes. It was found that some of the meat was diseased and other samples were over-age. There were instances of insanitary receptacles.

In one case, it was discovered that a butcher had bought more than 25 pounds of dog meat and had been mixing it with beef and pork. The meat came from one Yoichiro Nakabayashi, of Kawaguchi, Saitama Prefecture. On investigating Nakabayashi's business, police found that he maintained a private abattoir, where he slaughtered about a dozen stray dogs a day and shipped the meat to Tokyo. The Saitama prefectural police have been asked to arrest the man and punish him.

Chinese Residents in Japan Agitated by Sian News

With "Chinatowns" throughout Japan showing signs of extreme agitation over the news of the Sian revolt, the Tokyo police authorities are taking special precautions against untoward events. The Police Bureau of the Home Office Dec. 13 ordered that all Chinese residents in the country be placed under surveillance. A high official of the Bureau stated that "the greatest latitude within the bounds of law" will be accorded to those Chinese residents who would wish to visit China in connection with the current political developments. Such residents, he added, will be readily granted re-entry permits. The police, however, will not permit open agitation in favor or any of the factions engaged in the current dispute.

Especially agitated were the 25 students attending schools in Tokyo on stipends granted by the Shensi provincial government and the much larger number of students supported by the Central Government. Students coming from Kwangtung and Kwangsi, as well as political followers of Gen. Chang Hsueh-liang, were alone in supporting the Sian coup. Close watch was kept by the police over these elements, for fear that they might be approached by Gen. Chang's emissaries.

The number of Chinese students in Tokyo is 4,400. In addition to these, the Police kept watch over the 1,500 students from Manchuria.

Chinese Attitude Towards Japan Explained by "Ta Kung Pao"

Contending that, for the readjustment of Sino-Japanese relations, the Japanese politicians should have a clearer understanding of the feeling of the Chinese people towards Japan, the *Ta Kung Pao* in its leading editorial Dec. 4 commented :—"At the present Sino-Japanese negotiations, Japan has brought up before China the proposal of entering into a joint anti-Red defense agreement. May we ask whether or not the Japanese authorities have ever thought of the ground for this proposal, so far as the feeling among the people of these two countries is concerned. Our Chinese people have always expected to effect a 'renaissance' of China through their own strength, without being interfered with by external influence. Now, the Japanese proposal is exactly contrary to the Chinese psychology. To tell the truth, during recent years, the Chinese people have regretted that Japan has not treated us as a friendly neighbor, and, further, have been apprehensive of Japanese agression. Instead of taking moderate steps in her advance in China, Japan has augmented her pressure upon us. China will never submit to further capitulation. Her four hundred million will struggle to the last for resisting external invasion. Should the Japanese politicians be sincere enough to bring about the readjustment of Sino-Japanese relations, they should have a clearer understanding of the attitude of the Chinese people towards Japan. Any 'paper agreement' will not suffice to bring about satisfactory results. The bad feeling of the Chinese people towards Japan is due to the Japanese capture of the Northeastern Provinces, the Japanese influence over North China, and especially the recent Suiyuan problem, which has been stirred up by the Japanese. Therefore, viewed from the facts as well as the feeling of the Chinese people, should we endeavor to readjust Sino-Japanese relations, we should do away with the abnormal state of conditions in North China and also should put an end to the Suiyuan troubles.

Chinan University Wins an Oratorical Contest at Nanking

Chinan University, Shanghai, won the championship in the East China Inter-University Chinese Oratorical Contest held in Nanking Dec. 12 at the auditorium of the National Central University before an audience of 1,500 people. Nine universities and colleges participated in the contest, namely, the National Central University, Ginling College, and the University of Nanking, Nanking; Fuh Tan University, Kwang Hua University, Chiaotung University, and the University of Shanghai, Shanghai; and the Hangchow Christian College, Hangchow.

Shen Yi-wei of Chinan University carried off the first honors, speaking on "Japan's Southward Policy and the Future of Chinese in the South Seas Islands." Fuh Tan University, also of Shanghai, won second place and the National Central University, Nanking, third.

Students Demonstrate in Orderly Fashion at Peiping

Two thousand students, including 300 girls, took over the Chingshan area in Teihai Park in Peiping, Dec. 12, to hold one of the most orderly anti-Japanese demonstrations in the long history of similar agitation in Peiping. The demonstrators were peacefully dispersed by the police at about 6 o'clock. Several arrests were reported to have been made, but this could not be confirmed as the gates to the park were closed by the police soon after the meeting started.

Students to Italy Get Cheap Fares

Special reductions in passage fares to and from Italy once a year, ranging from 50 to 75 per cent on passage costs only, are to be provided for students from abroad who wish to pursue courses in Italy at any one of a list of prescribed universities, academies or conservatories.

Visitor from U.S. Studies Educational Developments in China

With a view to acquainting himself with the latest educational and cultural developments in this country, Meng Chih, Director of the China Institute in New York, is now visiting in Nanking before making a six-month tour in China. Mr. Meng recently arrived in Shanghai with Dr. Hu Shih, Dean of the College of Arts and Letters of the National Peking University.

Overseas Chinese Remit More Money for Buying Planes

While the whole country was gravely concerned over the safety of Gen. Chiang Kai-shek, President of the Executive Yuan, now being detained in Sian by Chang Hsueh-liang, the Chinese abroad attested their loyalty to the Generalissimo by remitting airplane purchasing funds obtained from the campaigns launched in connection with Gen. Chiang's 50th birthday some time ago. The Overseas Affairs Commission Nanking, Dec. 14, received $4,500 from Chinese residents in Siam, $500 from those in Japan, while one school in the South Seas Islands contributed $300.

Air Defense Maneuvers Held in Tsinan

For the first time in the city's history, large-scale air defense maneuvers were held in Tsinan, Dec. 12, the practice drills lasting for four hours. Over 10,000 persons watched the thrilling spectacle when five "enemy" planes, coming from Weihsien, rained numerous bombs on the city. Smoke screen bombs were fired by the defense units to cover up all the important parts of the city, with the result that the city, according to judges, was adequately protected.

Russia Plans Fifty Thousand New Airmen a Year

A huge arms expansion program designed to make the combined land, sea and air forces of the Soviet Union "the greatest war machine in the history of the world" has been adopted by the Defense Council of the Soviet Government at Moscow, it was reported to the London *Daily Express* Dec. 8 by the paper's Warsaw correspondent.

A redoubling of the army and a tripling of the air force are envisaged by the plan which, the correspondent states, was approved by a conference of the highest Soviet military authorities presided over by War Commissar Voroshilov. It also provides for construction of a 2,000-mile line of fortifications on the Union's Eastern and Western frontiers.

The increases in the army and air force are to be carried out within the next two years, bringing the total number of army effectives up to 3,000,000 men by the end of 1938. To take care of additional air squadrons the number of pilots trained each year will be increased to 50,000.

The correspondent asserted that the creation of a new war industries commissariat, sanctioned by the revised constitution, was also part of the plan and that one of the commissariat's tasks will be to transfer arms manufacturing plants away from areas exposed to enemy air attacks to the interior.

Japanese Cotton Mills in Tsingtao Reopen; Strike at an End

The end of the Japanese cotton-mill dispute in Tsingtao was heralded Dec. 14 when nine mills, employing about 85 per cent of the total number of operatives available, resumed operations.

Detailed points regarding a settlement of the Tsingtao incident, created by the landing of Japanese bluejackets, were satisfactorily worked out late on the night of Dec. 10 in an interview between Admiral Shen Hung-lieh, Mayor of Tsingtao, and H. Nishi, Japanese Consul. On the basis of their negotiations, the Japanese mills resumed operations, as above stated, on December 14, and the Japanese marines were to commence withdrawal the following day.

The Bureaus of Social Welfare and Public Safety jointly assisted the Japanese mills in the problem of restoring the mills to their normal working conditions.

The requirements made by the Japanese were:

1.—The punishment of millhands who fomented trouble and their expulsion from Tsingtao.

2.—The placing of all dismissed workers under strict surveillance, the Chinese authorities assuming responsibility for any "untoward developments."

3.—The expulsion of outside agitators.

4.—The Chinese authorities to desist from any interference with the resumption of work and agree not to employ any dismissed employees in municipal projects.

5.—The complete suppression by the Bureau of Public Safety of subversive elements so as to maintain better peace and order.

The Japanese mills having resumed operations on Dec. 14, the Japanese blue-jackets which were landed there on Dec. 3, began withdrawal Dec. 15.

"Special Relations" at Tsingtao

The "special relations" existing between Tsingtao and Japan, and the Nipponese Navy's "deep concern" over the destinies of the port were affirmed in a statement issued in Tsingtao, Dec. 11 in the name of Rear-Admiral Rokuzo Sugiyama, the new chief of staff of the Third Fleet. Japanese bluejackets, the statement said, will be withdrawn from Tsingtao as soon as "the menace to Japanese lives and property is removed and the Chinese demonstrate the sincerity of their pledges."

Japanese Sentry at Tsingtao Bayonets Chinese Shopkeeper

An ugly incident, which, it is hoped to settle amicably, was the subject of a protest by the Chinese authorities to the Japanese Consul-General at Tsingtao. It is alleged that a Japanese sentry bayoneted a Chinese shopkeeper who happened to wander into a cordon marking off the section of a wharf where the Japanese cruiser *Kuma* was tied up. When he disregarded or failed to hear an order to move on one of the sentries lunged at him with his bayonet. The man fled, but the sentry gave chase and again lunged at the Chinese, who was seriously injured.

Detention of Smuggled Goods at Tsingtao Causes Riot

A near crisis occurred at Tsingtao Dec. 10 when a large consignment of smuggled goods from the s.s. *Dairen Maru* was detained by the Customs. Shortly afterwards, over 40 Korean and Japanese "ronins" armed with wooden clubs, arrived at the Customs House, threatening grave mischief. Thanks to the precautionary measures taken by the Customs, however, the "ronins" failed to carry out their threat, and had to withdraw. They vented their wrath on a group of wharf workers, 12 of whom were injured. With the arrival of a detachment of Chinese police and Japanese marines the riot was soon quelled. The injured men, including one Korean, were conveyed to hospital for treatment.

Foreign Oil Companies in East Hopei Face Double Taxation

The foreign oil companies in North China have been plunged into a dilemma as the result of an order by the East Hopei "autonomous" government, of which Ying Ju-keng is the head, requiring the payment of duty on all oil products imported into East Hopei from Tientsin in addition to the high duties levied by the Chinese Maritime Customs. The East Hopei authorities have threatened to treat oil imported into their territory as smuggled goods unless the additional tax is paid, and have disclaimed responsibility for incidents thereby occasioned. They have verbally suggested that oil should be imported direct into East Hopei through Chinwangtao, where declarations should be made to East Hopei officials instead of to the Chinese Customs. They have also hinted that unless the oil companies comply with their demand, East Hopei will link up with the "Manchukuo" oil monopoly and thus exclude foreign companies from the market, which has already been seriously diminished by smuggled products.

The Asiatic Petroleum, Standard-Vacuum Oil and Texas companies have communicated with the Customs authorities, asking their advice. They point out that the Chinese Government guaranteed, when the present high tariff was introduced, that no further taxes would be levied.

Spanish Rebels Claim to Have Half Million Men Under Arms

Official estimates place the number of combatants who have been killed or wounded in the fighting in the Madrid area during the past three weeks at approximately 5,000 men. According to insurgent sources, the rebels have approximately half a million men under arms, of whom about 100,000 are Carlists (dissident monarchists). The members of the Spanish Phalanx, most of whom come from the cities and the lowlands and are individuals who in many cases have not had much previous military training, are not as accustomed to warfare as the mountaineers, and for the present at least are being given instruction behind the lines. The Nationaists are progressively and gradually sending their new recruits to the firing lines, which on the Madrid front, as in the Asturias and in Aragon, are sometimes as long as 60 miles.

The United States Embassy in Madrid Dec. 12 posted a notice that all American citizens must be prepared to leave Madrid, starting for Valencia the same afternoon. The announcement said that all desiring to go could be accommodated on a United States warship leaving Valencia later in the day.

The Nationalist authorities at Toledo have decided not to rebuild Alcazar, the Moorish castle now lying in ruins as a result of the violent air bombing, artillery shelling and dynamiting to which it had been subjected by loyalist forces, who were besieging it for several weeks, until the beleaguered rebels were relieved by the insurgent troops who captured Toledo. The Alcazar will be kept in its present ruined state as a relic of the Spanish civil war, the Nationalist authorities declared.

Spain is soon to have three currencies since, due to the measures taken by the Nationalist Government whereby all Spanish currency which is not stamped by the Nationalist authorities is worthless, the Catalan government now announces that it will issue 20 million Pesetas worth of Catalan money. It is stated that banknotes in the denominations of 2½, 5 and 10 Pesetas will be printed with full gold coverage. Since the gold from the Bank of Spain is now in the possession of the Valencia Government, as far as it has not been exported to other countries or spent, it is impossible to ascertain how much gold is actually at the disposal of the Catalan authorities.

Britain and Italy Reach Agreement

An Anglo-Italian agreement in regard to the Mediterranean will become operative next month, the diplomatic editor of the London *Sunday Dispatch* stated Dec. 14. It will include, first, a declaration that the interests of the two countries in the Mediterranean Sea are not opposed, but are complementary, and second, a promise that the *status quo* in the Mediterranean will be preserved, it was stated.

"An international war is proceeding on Spanish territory," asserted Senor Don Julio Alvarez del Vayo, Spanish Foreign Minister, speaking before the public sitting of the Council of the League of Nations in Geneva Dec. 11, which was called following the appeal of Spain under Article XI of the League Covenant.

"The preventive efficiency of the Convenant has not been sufficient to stop aggression in the past," he declared, "but we hope that the Covenant can at least prevent this civil war from breaking out into a general conflagration, a possibility which is threatening Europe more and more every day."

The recent demarche of Great Britain and France to Rome, Berlin, Moscow and Lisbon has shown the necessity for the Spanish appeal to the League, he continued, the aim of which is to prevent the civil war from having serious international repercussions. Thousands of people have fallen in Spanish trenches, the victims of Fascist aviation and foreign war materials, despite the non-intervention accord, he claimed.

Germany Says Ready to Cooperate in Spanish Mediation

Readiness to support all measures aiming at a restoration of peaceful conditions in Spain and a prevention of the spread of the flames to other parts of Europe was expressed by the German Government in a Note handed to the British and French Ambassadors in Berlin, Dec. 14 in reply to the proposals made by Great Britain and France for mediation in the Spanish civil war. If other Governments, it adds, believe they can make concrete proposals for mediation, Germany would be ready to co-operate in the examination of them. The Reich, however, expressed regret that other Governments have not supported her desire to stop the influx of volunteers into Spain, and considers that the abandonment of either direct or indirect intervention must be handled as a single problem. Germany, the Note added, has indicated by her recognition of the National Government that she sees no other factor in Spain which can claim to help the Spanish people in view of the brutalities of the other side, and any understanding with the Government party would appear hardly conceivable.

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Legal Yuan Approves Minimum Wage Law

The minimum wage for every adult laborer in all factories in China should be fixed in such a way that it will enable him to secure what are considered as necessities for himself and two of his family members, according to the Minimum Wage Law approved by the Legislative Yuan at its general meeting in Nanking Dec. 11. Authority to fix the minimum wage will be vested in a special committee created for the purpose. It will be composed of representatives of employers and employees and district or municipal governments and neutral members. In determining the minimum wage the authorities should take into consideration the standard of living in their respective districts as well as the living conditions of the workers in respective industries. Once the minimum wage is fixed, it is provided, the wages which are under the prescribed limit should be raised to a definite amount. Employers who refuse or fail to do so will be dealt with according to law by the government authorities of the district where the factories are located. As for every child laborer the minimum wage should not be below half of that of adult laborers. Contracts made between the employers and employees which provide for an under-minimum wage should be considered null and void. Exception is, however, permitted in case of contracts sanctioned by the authorities of the districts where the factories are located.

Nanking Government's Efforts Towards Boosting Native Industries Reviewed

A general review of the efforts of the Government in developing native industries was made by Dr. Wong Wen-hao, Secretary-General of the Executive Yuan, in an interview with the *Central News Agency* Dec. 10. Stressing the importance of communications in connection with the industrialization program, Dr. Wong said that attention has been directed by the National Government to the promotion of navigation and railway enterprises.

In this regard, he said, the China Merchants' Steam Navigation Company, after its re organization, has reported a surplus income of $100,000 or thereabouts monthly. On the other hand, the amount of railway materials purchased for the construction of new lines has reached a sum of $150,000. No effort is spared by the Government to develop the business and productivity of Chinese factories, Dr. Wong continued. Experts have been repeatedly sent by the Executive Yuan to study the production, sale, management, labor treatment, and production methods of the domestic plants.

Big Nanchang Bridge to Be Opened Jan. 10

The gigantic "Chung-cheng Bridge," named in honor of Gen. Chiang Kai-shek, President of the Executive Yuan, which spans the Kan River and which will afford direct rail link between Kiukiang and Nanchang, will be opened to traffic on January 10. The bridge will enable Nanchang-bound passengers of the Kiukiang-Nanchang railway to make through communications without stopping off at the opposite banks of Nanchang.

Szechwan to Have More Sugar Refineries

In response to the plans made by the Szechwan Department of Reconstruction for the establishment of ten sugar refineries in the province, several overseas Chinese in the South Seas have signified their readiness to invest $6,000,000 in the proposed enterprises. The matter is now under the consideration of the provincial authorities in Chungking.

New Canal System in Shensi Completed

The first period of the constructions work of the Wei Hui Canal system in Shensi, under the auspices of the Wei Hui Canal Engineering Bureau, has been completed and was scheduled to be opened for navigation on Dec. 15. The new waterway is 141 kilometers long, and the construction work cost $1,500,000. The second period of construction, which will cost around $440,000, will commence shortly. A loan of $1,500,000 was obtained from four leading Chinese banks in Shanghai by the Shensi Provincial Government to finance the project.

Chinese National Government Purchases Cement to Build Fortifications

According to Chinese information, it is reported that the Chinese National Government recently entered into a contract with the China Cement Factory and the Shanghai Cement Factory in Shanghai, and the Chisin Cement Factory in Tientsin for the purchase of cement. The *Shanghai Nippo* says that a month ago the Chinese National Government attempted to arrange with the Japanese official commercial authorities for the purchase of a large quantity of cement; but, as soon as the Japanese found that the Chinese Government would use the cement to build fortifications along the Yangtsze basin, they rejected its proposal.

Fishery Experts Return to Shanghai from Investigation Tour

Following an eight-days extensive investigation to the various islands off Chekiang and Kiangsu coast the Sheng Ssu Archipelago Inspection Party, composed of more than 20 local industrial and fishery experts, returned to Shanghai, Dec. 9. The party, which left for the Archipelago on Nov. 30, was dispatched by the Kiangsu provincial government to study the possibilities for the development of the fishery industry on these islands. The Seng Ssu Archipelago, according to the Party, consists of more than ten large and small islands off the Kiangsu-Chekiang coast. After a prolonged dispute between the authorities of the two provinces, the islands were finally placed under the jurisdiction of the Kiangsu provincial government. Noted for their fishing industry, the total catch on the islands was formerly valued at $20,000,000 annually, but owing to the constant encroachment on Chinese waters by Japanese fishermen it has been reduced to about $3,000,000 annually.

National Highway Conference to Be Held at Changsha Jan. 21, 1937

A national highway conference will be held at Changsha January 21 under the auspices of the National Economic Council. Delegates from Szechwan are planning to leave for Changsha to participate in the conference by way of the new Szechwan-Hunan Highway, which is expected to be completed by that time. The Hunan section of the new road is already open to traffic.

Szechwan-Shensi Motor Road to Be Inaugurated Dec. 16

Plans have so been completed for the inauguration of through traffic along the Szechwan-Shensi motor road on Dec. 16. When the service is inaugurated, buses will simultaneously leave every day from Paochi in Shensi and Chungking in Szechwan. The trip will take six days.

Alcohol as a Substitute for Gasoline in Motor Cars

A new experiment of substituting alcohol for gasoline as fuel for motorcars has been completed with satisfactory results by the Industrial Experiment Institute of the Kwangtung Reconstruction Department at Canton. Public demonstration will be held on Dec. 15.

China's Customs Tariff Not to Be Revised

Interviewed regarding press reports that the Ministry of Finance is revising the Customs Import Tariff in conjunction with other interested organs, a spokesman of the Ministry said in Nanking Dec. 12 that the report is absolutely without foundation.

Banks May Surrender Seized Sugar to Customs in Hsuchow

Instructions are being sought by four banks in Hsuchow from their respective head offices regarding the surrender of $100,000 worth of smuggled sugar, now stored in warehouses, to Customs authorities. Sealed on June 10 by preventive agents in said city, the illicit sugar was purchased at a discount by the four banks, including the Bank of Communications, the Bank of China, the Kuomin Bank and the Kiangsu Bank. Although repeated petitions were filed by the four banks and purchasers with the Ministry of Finance, the latter ordered that the sugar be confiscated. The loss involoved is rather great for the four banks since the money was already advanced to the sugar merchants.

Customs revenues collected in various parts of the country during the month of November amounted to over $26,000,000, showing an increase of $5,000,000 over the corresponding month last year, it is reported by the Ministry of Finance.

French Syndicate Furnishes Funds to Build Szechwan-Kweichow Railway

A loan was concluded Dec. 16 by the China Development Finance Corporation, acting on behalf of the Chuan Chien (Szechwan Kweichow) Railway Company, with the Banque Franco-Chinoise pour le Commerce et l'Industrie, acting on behalf of a French Syndicate, for the coustruction of a railway between Chengtu and Chungking.

The projected Chengtu-Chungking Railway covers a distance of 523 kliometers, traversing what is known to be the richest part of Szechwan, and is expected to be constructed in two and half years. The estimated cost of construction is in the neighbourhood of $54,500,000; $20,000,000 of which will be furnished by the Chuan Chien Railway Company, and the balance of $34,500,000 by the French Syndicate, to be redeemed in 15 years. Of the loan furnished by the French Syndicate, $27,500,000 will be in materal and freight to Chungking, and $7,000,000 in cash. The loan is guaranteed unconditionally by the Ministry of Railways.

$14,000,000 Railway Loan Contract Signed

A $14 million loan contract for the construction of the southern section of the Nanking-Kweichi Railway was formally signed in Nanking Dec. 12 between the Ministry of Railways and the Shanghai Banking Syndicate, which was represented by Chow Tso-min, managing director of the Kincheng Banking Corporation. The projected railway runs as far as Sunchiafu in Anhwei at present. When completed, it will link Nanking with Kweichi, a station along the Chekiang-Kiangsi Railway in eastern Kiangsi and will shorten the journey between Nanking and Canton by 20 hours by direct connection with the Canton-Hankow Railway. The Sunchiafu-Kweichi section will be completed before next June. An order to this effect has been issued by Gen. Chiang Kai-shek, president of the Executive Yuan.

Government Stabilization Scheme Keeps Exchange Steady

The value of the Government's exchange stabilization scheme was seen in Shanghai Dec 14 when there was a rush by merchants to secure exchange coverage against their foreign currency commitments. The Government banks "pegged" the rate for banks at 1sh. 2 3/4 d for sterling and 29 1/4 for U. S. dollars, so that merchant requirements were able to be satisfied by the exchange banks at only slightly lower levels. Consequently the market was steady, except that forward deliveries were marked down more than usual. News reached Shanghai that there was fairly heavy selling of yen against sterling both in Mukden and Dairen.

Confusion was created in the local market Dec. 14 as a result of the Sian mutiny, the price of every issue of Government bonds dropping when the stock exchange merchants opened business reluctantly. The market was eventually closed owing to the confused condition, mingled with anxiety, but was reopened several days later. Many of the issues dropped from $1.55 to $4. Slight increases were seen in the flour, cotton and gold exchange markets.

Kansu to Establish Provincial Bank with Capital of $5,000,000

To aid economic development in Kansu the establishment of a provincial bank is being planned by the provincial government. According to tentative plans, the new bank will be a joint government and private enterprise. Its total capital has been fixed at $5,000,000, of which amount $1,500,000 will be first loaned from the head office of the Central Bank of China, and $1,000,000 from the Lanchow branch of the same bank.

T. L. Soong Gives Assurances on Kwangtung Finances

Assurance that the financial situation in Kwangtung and the credit of the provincial notes will not be affected by the current political situation was pledged by T. L. Soong, Finance Commissioner for Kwangtung, in a conference with local bankers and business leaders Dec. 14.

Shanghai Branch Bank of Canton Reopened

The Shanghai Branch of the Bank of Canton was formally inaugurated Dec. 15 at a ceremony officiated at by T. V. Soong, Chairman of the Board of Directors of the bank. Among those who called at the bank to offer greetings were Hsu Kan, Vice-Minister of Finance, Jian Chen, Deputy Governor of the Central Bank of China, K. P. Chen, Managing Director of the Shanghai Commercial and Savings Bank, and Lin Kang-hou, Chairman of the Chinese Bankers' Association.

Manila Rocked by Earthquake—U.S. Red Cross Extends Flood Relief

Manila was rocked by a severe earthquake which struck the city at 1.10 p.m. Dec. 14. A number of tall buildings in the town received a severe shaking. The center of the disturbance was estimated to be at a point about 100 kilometres south-west of Manlia.

Red Cross headquarters announced in Washington, Dec. 12 that $150,000 would be required for relief and rehabilitation work in the inundated areas of the Cagayan River Valley in the Philippines. The situation along said valley as a result of the floods was described as "one of the worst ever experienced in the Philippines." The United States Army, the Philippine Commonwealth Government and the Red Cross are co-operating in providing relief to the victims in the flooded areas. The U. S. Red Cross already has sent U.S. $25,000 to the Philippines to assist relief efforts.

Joseph E. Jacobs Appointed Head of Special Philippine Division

Joseph E. Jacobs, veteran foreign service office, formerly a member of the staff of the U. S. Consulate General here, was appointed Dec. 15 head of a newly created special Philippine Division to cooperate with the Division of Far Eastern Affairs. Mr. Jacobs will bring under one head all questions arising in American-Philippine relations as a result of the Independence Act, including questions of commerce, economics and the foreign relations of the Philippines.

Quezon Explains Chinese Immigration Restrictions in Philippines

The relations between the Filipino and Chinese residents in the Philippines have always been cordial, declared Senor Manuel Quezon, President of the Philippine Commonwealth, when he visited Hongkong Dec. 11. Asserting that the Filipinos have never entertained any discrimination against overseas Chinese, President Quezon said that the immigration restrictions imposed on the Chinese were merely designed to relieve the unemployment situation in the Islands. Senor Quezon also visited Canton, in the meantime returning to Manila. A contemplated trip to North China was abandoned.

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Peiping Student Union Delegates Present Petition at Nanking

BY S. T. HSIEH (謝 泰 才)

WHAT was otherwise to be an eventful first anniversary of the rejuvenated student movement passed quietly without any untoward occurrences whatever. Several days ago the representatives of the Peiping Student Union resolved upon the staging of another mammoth student demonstration, similar to that of last year, on December 10. However, owing to one reason or another, the planned demonstration proved abortive.

An absence of a central slogan is believed to be one of the reasons for the failure of the attempted parade. While last year's demonstration essentially was a strong protest against the inauguration of the camouflaged Hopei Chahar Political Council, the present attempted one would at best serve as a means of voicing the immediate release of the six arrested leaders of the National-Salvation Association, Shanghai, and also of inducing the Central Government to give full support to our Suiyuan troops.

With the above same motives the Peiping Student Union just recently sent delegates to Nanking to submit a petition to the Central Government. The delegation of three, as we know, eventually failed to obtain a fully satisfactory answer from the officials concerned. In fact it is safe to say that it was a failure, more or less. Perhaps it would not be out of place yet to trace back what the delegation's result came out to be.

The demands of the student delegation planned to be forwarded to the Government comprised of the following:

(1) that all political parties of China be united for full resistance against Japan,
(2) that the Central Government send troops to Suiyuan, especially the 29th Army,
(3) that the arrested leaders of the National Salvation Association, Shanghai, be released immediately,
(4) that the Sino-Japanese parleys be disrupted,
(5) that the Government proclaim its national plan for resistance against Japan, for achievement of national unification, and
(6) that the Government give relief to the Shanghai mill strikers.

While at Nanking, after having made a speech before the students and faculty of the University of Nanking concerning their mission, the delegates were arrested, en route to a hotel, for investigation by five plain-clothes' detectives with revolvers pointed at the students from under their pockets. Although an appointment for interview with the Minister of Education had been arranged, the detectives did not permit them to go until some hours later, still escorted by them. Naturally they failed to obtain the pre-arranged interview.

The next day, however, they were granted an informal interview with some high officials, such as Wong Wen-hao, secretary general of the Executive Yuan, Chen Li-fu, of the Political Training of the Kuomintang headquarters, and H. E. Wang Shih-chieh, Minister of Education. In the informal talk, unofficial replies to the students' petition were recorded as follows, corresponding in order:

(1) Besides the Kuomintang, there is no other political party except Communism. It is impossible for the Central Government to cooperate with the Communists. As to the recovery of lost territory, that will definitely be carried on in the near future,
(2) The Suiyuan cause cannot be enlarged into a national question, and it is imperative that the 29th Army should protect the territory where it is stationed.
(3) The arrested leaders will be held for legal examination soon.
(4) Not until a war between the two countries is officially declared can the parleys be disrupted.
(5) Such plans cannot be publicly proclaimed, for it will affect the nation's future, and
(6) The government is unwilling to encourage the strikers presently; it has no power to interfere with the strike.

The student delegates were escorted back to Peiping by friends of the plain-clothes' group from Nanking.

Peiping, December 11. 1936.

Shanghai Japanese Ask for Moratorium

After a three-weeks stay in Japan, during which he sought the Government's consent for a moratorium on loans made to Shanghai residents by the Rehabilitation Fund of the Japanese Residents Corporation, Teizo Matsunaga, head of fund committee, returned to Shanghai Dec. 13. The J.R.C., under the pressure of local merchants, is urging the authorities to grant a ten-year respite to borrowers from the fund, on the ground that repayment of the debts has been made difficult by the current depression. While Mr. Matsunaga declined to reveal the attitude of the central authorities, he said the Yokohama municipality, which borrowed Yen 45,000,000 from the Government following the earthquake 1923, has not yet repaid it, although the term of the loan was six years.

Tokyo and Nanking Reach Understanding on Tariff-Reduction?

BY THE REVIEW'S FOOCHOW CORRESPONDENT

According to Japanese commercial circles here, Tokyo and Nanking have reached an understanding concerning the tariff-reduction issue. Nanking authorities, they say, will in due time reduce customs duties on imported artificial silk goods, cotton goods, groceries, etc. Whether Nanking and Tokyo have come to such an understanding, we are not in a position to know. To quote the words of the spokesman of the Japanese Foreign Ministry: China has seen eye to eye with Japan about the question of tariff-reduction. In the words of the spokesman of the Chinese Foreign Ministry: China will make a new schedule of customs duties whenever she sees the necessity of doing so—that necessity may arise from changing commercial and financial conditions. The tariff problem is purely internal. China will, first of all, consider the questions of smuggling-cessation and revenue-cutting before she enters into consideration of the tariff problem.

Japanese residents here are not only optimistic over the tariff-reduction question but they also discount the possibilities of the oft-expected Sino-Japanese War. They point out that very lately Japan's exports to leading Chinese ports, particularly Shanghai, are increasing by leaps and bounds; they aver that Japan would not barter growing commercial profits for a wasteful war.

Should tariff-reduction become a reality, China would certainly be at a great disadvantage. Her industries of light character are in their early stage of development. Under the blazing rays of the Rising Sun, they will doubtless wither away.

Two Versions About the Fate of Fukien-Donated Plane

In celebration of Generalissimo Chiang's birthday, various circles in Fukien donated an airplane as present. The plane is a pursuit plane, christened "Seven Fukien" (Fukien is now divided into seven administrative districts). Following the outbreak of Suiyuan warfare, the plane was despatched to the front. According to the *Nan Fang Jih Pao* (Dec. 8), a Foochow newspaper alleged to be the government's organ, the plane, piloted by Aviator Li Keh-yuan, inflicted heavy casualities on Mongolian forces. The plane flew over the enemies' lines, destroying their fortifications. It encountered enemy planes and was smashed. The paper, besides lamenting the loss of the plane and paying tribute to the meritorious services of the courageous aviator, prevailed upon the people to raise money to buy another plane to be donated to Nanking.

Contradicting the aforesaid, there is, in the Fukien *Min Pao* (Dec. 10), a party organ, a statement to the effect that from the Aviation Association it is reliably learned that the "Seven Fukien" plane is still in good condition.

Mayor Li Sz-lin's Investigation Tour to Formosa

Li Sz-lin, mayor of Amoy, Liu Yuan-chuan, director of Amoy Reconstruction Bureau, Chang Sz-lin, magistrate of Chuanchow, Chung Kan-chen, magistrate of Yinting, Lin Feng-huei, magistrate of Huian, Liu Chi-tang, director of Huashan Special District, and three bankers at Amoy, made an inspection tour to Formosa. On Dec. 2 they left Amoy and set out for Keelung. They made an official call on Viceroy Kobayashi who gave them a hearty welcome and warm reception; they successively toured North, Central, and South Formosa; they visited various organizations, factories, scientific institutes, places of scenic interest, etc.; they also inspected municipal conditions.

In an interview with Formosan newspapermen, Mayor Li, among other things, said:

"In view of geographical proximity and economic intimacy, both Chinese and Japanese authorities in Fukien and Formosa must cooperate and must surmount all difficulties that stand in the way of good friendship.

"Various enterprises in North Formosa have shown remarkable progress. It is a matter of gratification to find so many good roads and fine buildings in Formosa. As we are devoted to the plans of 'Greater Amoy,' our inspection tour may give us many valuable lessons."

The *Min Pao*, a Japanese organ at Foochow, said that Mayor Li, eager to modernize and beautify Amoy, took great interest in the remarkable cultural and economic development of Formosa; the paper predicted bright prospects for Sino-Japanese friendship in Fukien and Amoy.

Scarcity of Rice in Foochow

With the unusual exodus of rice from Foochow, the limited supply of rice might be exhausted. The people here are clamoring for an embargo on rice.

Air Defense Exhibition to Be Held on Dec. 19

An Air Defense Exhibition will be held on Dec. 19 in the West Lake Park, Foochow. The air defense maneuvers may be held on Dec. 25 or Dec. 26.

December 12, 1936.

Who's Who in China

陳可忠
Chen Ko-chung

Chen Ko-chung, educator; born at Foochow, Fukien, 1899; graduated from Tsing Hua College in 1920; received the degree of B. S. in Chemistry from Yale University; M. S. and Ph. D. from the University of Chicago; member of Sigma Xi; Professor of Chemistry in Sun Yat-sen University, 1926-1931; Head of Science Department in National Institute for Compilation and Translation, 1932-36; now Director of the Institute; address: National Institute for Compilation and Translation, Nanking.

陳可忠，福建閩侯人，年三十八歲，民國九年由清華學校畢業，官費留美，先在耶魯大學得化學學士學位，後在芝加哥大學得化學碩士博士，十五年回國任國立中山大學教授，二十一年任國立編譯館自然組主任，現任國立編譯館館長。

Ten Thousand Chinese in Dutch East Indies Marry Native Women

Of the 500,000 Chinese in Dutch East Indies, upwards of 10,000 have taken native women as wives, according to figures released by the Overseas Affairs Commission in Nanking. Several reasons account for the popularity of these inter-marriages. Among them is the greater economy in marrying native than Chinese women; and also the higher financial capabilities of the Chinese have made them a farorite choice for the native woman folk. In addition to these economic factors, there is also the social element involved. The Chinese in the Dutch East Indies somehow demonstrated a higher degree of compatiblity with the native women than other peoples.

Night Life Curtailed in Canton by Introduction of Legislation

"Night life," which used to be very gay and which used to contribute to the prosperity of the city, now no longer exists in Canton. The New Life Movement restrictions, rigidly enforced by the authorities, have brought an end to all-night theatrical performances and other amusements, and all restaurants, tea houses and stores must now close after midnight. With mahjongg officially banned, restaurants and hotels have become exceedingly quiet and their business has suffered a sharp decline. The latest police order forbids persons from walking or riding in automobiles in the streets after midnight. The New Life Committee urges everyone to go to bed early and rise early. Under official orders motorbuses and other vehicles now cease to operate after midnight.

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Men and Events

Dr. Hu Shih, well-known scholar and philosopher, arrived in Peiping Dec. 10 from Shanghai.

"China's Currencies, New and Old" was the subject of an interesting lecture (illustrated) given by E. Kann in the Lounge of the Foreign Y.M.C.A. in Shanghai Dec. 15.

A recent "Believe It or Not" from Ripley:—It costs less to ship a bale of cotton from Houston, Texas, to Shanghai, China, 10,000 miles, than it does to ship one from Dallas, Texas, to Houston, 400 miles.

An increase in the incidence of scarlet fever and diphtheria was the most important feature of the weekly health return of the Shanghai Foreign Settlement Public Health Department, completed to December 12.

Kung Ching-tsung, Counsellor of the Mongolian and Tibetan Affairs Commission, who has been transferred as Director of the Tibetan Affairs Bureau of the Commission, took up his new duties at Nanking Dec. 10.

Liu Wei-chih, Reconstruction Commissioner of Kwangtung, arrived in Nanking from Shanghai by train Dec. 14. During his brief stay in the capital, he conferred with the Central authorities on the reconstruction program in Kwangtung.

The death occurred Dec. 11 of Shen Ah-ou, 64, veteran detective attached to the Shanghai Foreign Municipal Police. The deceased, who joined the force at the age of 17, 47 years ago, was last attached to the Louza Police Station and was scheduled to retire at the end of the year.

Messrs. Lao Wei-sui and Huang Pei-chieh, first and second secretaries, respectively, of the Chinese Embassy at Washington, have been recalled by the Foreign Office. The new secretaries will be Messrs. Ho Pei-yuan and Liu Yu-fang, whose appointments were announced Dec. 8.

Permission for Leon Trotsky, the well known exiled Russian revolutionary leader, to live in Mexico has been accorded by the Foreign Ministry of said country, which issued a statement declaring that Mexico prides itself on its faithful adherence to the principles of international right and sanctuary right.

Dr. Chu Chia-hua, newly appointed Chairman of the Chekiang Provincial Government, arrived in Shanghai Dec. 12 from Loyang via Nanking by plane to confer with Gen. Huang Shao-hsiung, the out-going chairman who has been appointed to a new post in Hupeh. Dr. Chu later proceeded to Hangchow to assume his duties.

Of the 48 silk filatures in Shanghai, 13 have been forced to stop operations and all the remaining ones are expected to close early next spring on account of lack of raw materials, according to Chinese reports. The decrease of prices of Chinese silk in foreign markets is said to be another reason for the depression.

The late Yu Lieh, one of the four original Revolutionary associates of the late Party Leader, Dr. Sun Yat-sen, is to be given a Public Burial by the Kwangtung Provincial Government. An order to this effect has been issued by the National Government to the Kwangtung Provincial Government through the Executive Yuan.

Ending his visit in China, Professor Harold William Temperley of Cambridge University, departed from Shanghai for England aboard the *Empress of Atia* Dec. 14. Prior to his departure the visiting professor issued a statement urging China to participate in the forthcoming conference of the International Historical Congress, of which he is President.

A reward of $5,000 has been offered by the Shanghai Municipal Police for the arrest of the murderer of Yasuji Takase, a Japanese seaman, who was shot dead in an alleyway off Baikal Road in the Foreign International Settlement on Nov. 12. Despite the elaborate efforts made by the local police, no clues have been found for the arrest of the culprit.

Found guilty of falsifying a French passport, Henri le Grosclaude, French journalist, was sentenced to three months' imprisonment and fined 300 francs in the French Consular Court Dec. 14. The prison sentence was, however, remitted by Judge Kauffman on the ground that Grosclaude had never been haled to court before for any criminal or civil offence.

Chinese goods entering Dutch East Indies, where the authorities decreed regulations restricting imports, will by accorded special treatment provided they are accompanied by the proper documents. Such documents may be obtained from the Netherlands Consulates and offices of the Java-China-Japan Jijn, both in Hongkong and Shanghai, it is announced.

Ma Hsiang-po, aged Catholic leader and founder of Fuh Tan and Aurora Universities in Shanghai, arrived in Nanking from Shanghai Dec. 12 in the company of Yu Yu-jen, President of the Control Gale Yuan. Mr. Ma, who is 97 years of age, was welcomed at Huping by Bishop Yu Ping. Upon his arrival at Nanking, he was greeted by over 200 officials and alumni of the two universities, as well as by General Feng Yu-hsiang, Vice-President of the Military Affairs Commission, and Chang Chi, member of the C.S.C. It is understood that Mr. Ma will make a lengthy sojourn in the capital.

Six members of the Japan Society for Discerning the Sex of Chickens, passed through Shanghai this week enroute to England where they are expected to spend about six months teaching the method by which the Japanese determine the sex of chickens. Their system is considered the fastest and most accurate, and the Japanese are reputedly the most adept at this difficult task.

Disciplinary punishment was imposed upon 162 public functionaries by the Commission for Disciplinary Punishment of Officials during the 24th fiscal year, from July, 1935 to June, 1936, according to statistics published in Nanking this week. Of the 162 civil employees who were charged with malfeasance, corruption or dishonesty, 11 were of the elected rank, 84 of recommended rank and 67 of appointed rank.

The International Press Club of Tientsin entertained 150 of the leading military, consular, municipal and concession authorities of all nationalities, with their wives, at a dinner dance held in the Forum Night Club on Dec. 8, the most brilliant of the numerous affairs staged by the club during the past year. Leading North China artists and groups of clowns from Bell's Hippodrome Circus donated their services for the evening's entertainment.

Seventeen Chinese magazines and periodicals published in Shanghai, some of which appeared in the Settlement and several others in the French Concession, have been suppressed by the City Government of Shanghai during the past several weeks. A spokesman of the City Government stated that the step had been taken owing to the fact that all the suppressed magazines and periodicals has failed to register themselves with the local authorities as they were required. Among the suppressed periodicals was one known in Chinese as *Sheng Ho Chou Kai*, edited by one of the six leaders of the National Salvation Association recently arrested.

Leighton Shields, new U.S. District Attorney, is expected to arrive here Dec. 20 from Japan to assume the post left vacant on the departure of Felthan Watson some months ago. Mr. Shields was originally scheduled to sail from San Francisco on November 10, but was delayed by the prolonged strike of American shipping. He finally took passage to the East by the *Asama Maru*, which does not call at Shanghai this trip, so he had to tranship in Japan. Mr. Shields, who succeeds Mr. Felthan Watson, was a member of President's class of 1904 at Harvard University. He is the son of the late Judge George H. Shields, and a former member of the Missouri State Legislature.

Miss Shih Liang, the woman lawyer who has been wanted by the Third Branch Kiangsu High Court for the past few weeks as a co-defendant in the case in which six other well known Chinese men are standing trial in Soochow, charged with leading anti-Government activities in Shanghai, end of last week sent a letter from Soochow to her lawyers saying that she could not be present at the hearing held in Shanghai because of illness. The letter was read in the Second Special District Court Dec. 12, when the time fixed for her appearance in the high court expired. Miss Shih's letter explained that she had gone to Soochow in order to see her sick grandmother. During her stay in Soochow she became ill due to respiratory disorders. She promised to come to Shanghai to attend the hearing as soon as she recovers.

The *Japan Chronicle* says the great stream-line experiment in the Island Empire is ended. All 24 locomotives built by the Government Railways have proved failures, it is stated, and no more are to be built. Mr. Uchida, former Railways Minister, got all the credit for the experiment, and now he gets all the blame. A temperature of 130 degrees Fahrenheit in the engine cab is one reason for the decision, and another is that the speed of the fastest train averages less than 44 miles an hour, too slow for the real advantage of stream-lining to be felt. The narrow gauge in Japan is, of course, against the possibility of speeds ever being materially increased, and it is likely that we shall never hear of the abandoned experiment being revived. Yet reference to the cab temperature would seem to indicate that one reason for the failure is that the Railway Department's designers don't altogether know their job.

On suspicion that he had smuggled $15,000 worth of gold from Japan to Shanghai, Chou Yung-hwa, a Ningpo tailor was brought up in the First Special District Court in Shanghai for detention Dec. 15. Chou denied that he had smuggled gold and at the request of the police the judge postponed the hearing for a week. Chou told the court that he dealt in cloth when he was in Japan. On his way home he was accompanied by a man named Wang who requested him to bring some gold to Shanghai promising to pay $20 for the job. P. L. Chiang, Assistant Municipal Advocate, told the court that early the previous morning when the *Empress* of *Asia* arrived in port, Wayside officers boarded the ship to arrest Chou, acting on information received from Japanese sources. He alleged that Chou wore a special kind of jacket and that inside the jacket the officers discovered many pockets, in which there were 10 gold bars, 18 U.S. $10 coins and one U.S. $5 coin. The total worth of the gold was $15,000, he said.

$16,375 Collected for Y. W. C. A. Work in Shanghai

A sum of $16,375 has been collected after a four weeks' intensive finance campaign for the work of the Y.W.C.A. during the coming year. Announcement to the above effect was made at a meeting held in the Y.W.C.A., 999 Bubbling Well Road, Shanghai, Dec. 2, when the team captains and workers met to close the drive, the aim of which was $20,000, the amount needed to cover the year's budget. Mrs. Hollington Tong captained the team who won the first prize of a large silver shield, presented by Mme. Chiang Kai-shek, by the collection of $3,109. Mrs. H. C. Mei, chairman of the Chinese Women's Club, came second, her team securing $2,627, and thereby obtaining the embroidered satin banner given by Mrs. Pan Kung-chan, wife of the Commissioner of the Bureau of Social Affairs. Mrs. Mei was also the proud recipient of a silver shield offered by Mme. H. H. Kung, wife of the Minister of Finance, for the highest individual effort. An amount of $2,225 was brought in by Mrs. Mei. The silver cup presented by Mme. Wu Te-chen, wife of the Mayor, for the second highest individual score, was won by Mrs. Hollington Tong by her contribution of $1,750.

A Japanese Who Left for Berlin Games and Got as Far as Harbin

A wealthy Japanese living at Niigata who left his house in July last for Berlin to attend the Olympic Games and was not heard from ever since, was discovered to be running a taxi in Dairen. Apprehensive of the whereabouts of her husband, Mrs. Tadako Karazawa of Teradomari-cho, Niigata, some time ago applied to the police in said city for assistance in locating him. Investigations failed to bring any results, and it was once feared that he may have been arrested by the O.G.P.U. Two weeks ago, however, Mr. Karazawa wrote a letter to his Banto regarding his bank accounts. The matter was immediately reported to the police who referred it to the Dairen Police.

According to the story told by Mr. Karazawa, he was unable to enter Russia due to passport trouble. While spending a few days in Harbin, however, he made the acquaintance of a 20 year-old girl, and shortly afterwards proceeded to Dairen with her to start a new life. Taking advantage of his knowledge of driving, he bought a motor car with the Yen 3,000 he had, and commenced a taxi business. His mistress assisted him by working as a taxi dancer in the Dance Hall "Maru."

Mr. Karazawa has in the meantime been pursuaded by the police to return home.

A.O.F.C. Creditors Will Receive a Dividend in Near Future

Brighter prospects are in store for creditors of the American-Oriental Finance Corporation, which failed in May last year. According to a statement released by Dr. George Sellett, the liquidator, Dec. 12, an amount of about $1,300,000 in local currency had already been collected towards obligations totalling $4,000,000, and he expected a healthy addition to this figure in the near future. A substantial distribution of dividends to all creditors will then become possible.

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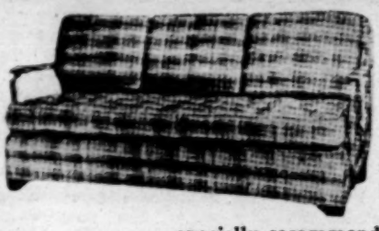

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New Books of Interest in the Far East

Land Tenure in the Hawaiian Islands

Hawaii, a Pageant of the Soil, by Jean Hobbs. Stanford University Press, Standford University, California, 1935. 183 pages, with bibliography, appendices and index.

This book approaches the story of Hawaii solely from the standpoint of land and its tenure. The old system under the chieftains is described and new needs and problems, as the islands developed under contact with the Western world, are explained. Much in Hawaii depended upon the soil and its holding; many difficulties arose before the great "mahele", or division, and even with it all that was troublesome was not settled.

The author has studied deeply into the whole question and writes with authority; her text has many references and is an excellent report from the historical records, which are all extant and available. It is seldom that any country has so much valuable material which can give light on the interesting evolution of private holdings arising from tribal dispensations.

Incidentally, along with a thorough treatment of land issues and their changes to suit altered governments and people we find a well-documented description of the arrival and land interests of the early American missionaries, who are frequently referred to by the ignorant as being people who made fortunes in Hawaiian land. The author proves this an empty and malicious statement.

The whole land question has been complicated by a need to import field laborers. The author says, "The influx of immigration is now practically negligible except for a small, steadily decreasing quota of field laborers for the plantations. The present status of the Philippine Islands makes necessary the approval and consent of the Secretary of the Interior to any importation of labor from that group. Active seeking for new settlers and new citizens ceased, as a result of the changed economic demands and the Federal Immigration Policy, but those already arrived have taken deep root. Particularly the second generation, American-born citizens of Chinese, Japanese, Portuguese, and mixed ancestry, have affected the deveoplment of the country profoundly, both culturally and economically. For, while the business and agricultural industries are controlled and managed largely by descendants of the Anglo-Saxon people, principally those of American stock, it is the descedant of the immigrant who makes up that large and growing group called 'the People'."

The concluding paragraph makes statements and asks questions. "The land areas are limited, and they are directly or indirectly her only source of wealth. Can they continue to supply employment and the subsistence needs of this population? What will be the adjustment of this population in relation to the all-important problem of the land? What will be the future economy? Perhaps the answer may be found in the careful perusal of the achievements of those hardy pioneers who looked on a strange and uninviting land that under their industry and husbandry became the rich heritage of the citizens of today's Hawaii."

G. B. S.

Glimpses into Life in the Island Empire

In Far Japan, by Frank H. Hedges. The Hokuseido Press, Tokyo, Japan, 1936. 330 pages.

In Japan, Without Clock or Calendar, by Emma Sarepta Yule. The Stratford Company, Boston, 1935. 269 pgaes. Illustrated from photographs.

Mr. Hedges calls his book a collection of glimpses into the life of Japan. These are written as little sketches, done with charm and a subtle spirit of Oriental understanding. Some of the simplest things of daily life are described; some of the most complex and vital feelings and ceremonies of the Japanese are explained.

It is rare to find in a journalist the understanding or desire to know hidden things in the physical and spiritual world, but this author has a flair for probing into Japan's inner life. Sometimes we find a little too much sentiment, too saccharine a note in his reflections, but on the whole the sketches are light and pleasant views of life filled with Oriental glamor.

A glossary of Japanese terms would improve the book which is gotten up in a pleasing form by the excellent Hokuseido Press of Tokyo.

The author's idea of Japan's message for the West is expressed in this paragraph:

"He who would know and understand Japan must attune himself to this symbolism that has been wrought out through centuries of aesthetic worship of the beautiful. It is Japan's great gift to the world, a gift at which the Japan of today is far too prone to scoff, although in the heart of hearts there must still be treasured the devotion to beauty that is the nation's heritage. In this modern world other values weigh for more; the emphasis has been placed elsewhere. And Japan, examining itself, discovers lack of gifts that the West has for the world, becomes proudly, foolishly heart-sick, turns with determination to mechanics, science, warfare, practicality—most of which it sorely needs—but in the turning loses all sense of proportion and so undervalues its own gift of sheer symbolical aestheticism which we the world at large need quite as much.

Japan seeks to complete itself, seeks the complement to its own gift that the West possesses, but it courts the great danger of losing what it has. May it not be that the West, too, may see the wisdom of seeking completement from the Eastern people?"

Miss Yule's book escapes the sentiment of the previously-mentioned volume. It is also a random gathering together of appreciations, but we find embedded in her text a few historical descriptions, such as accounts of Admiral Perry's visit and of Will Adams' work and influence on Japan. There are chapters on flowers, the theater, different cities, schools, temples, and even Japanese idiosyncracies. The author dares, at times, to manifest a critical spirit. Such is seen in a statement of this kind:

"All the beauty spots in Japan are old, old, and the people seem hurt, impatient if one presumes to admire a mountain curve, a clump of shrubbery that is not on the list. To them their beauty catalogue is as sacred as the decalogue is to Christians. On the train, I once saw a mother arouse her grown son from sleep because we were passing a catalogued view of Fuji-yama. The man knelt upon the seat and gazed in rapture as long as the view lasted. Then he composedly took up his nap again. Meanwhile, to be seen from the opposite window at the same time was a light upon the sea such as man's eye rarely beholds. But no one in the car looked that way; it was not Japanese custom to see beauty in this particular view of the sea."

The book is enlightning and pleasant, leading the reader from place to place and from topic to topic with deftness and understanding. There is a glossary of Japanese words used, and this helps elucidate the text, to which they add an Oriental flavor.

G. B. S.

Science and Near-Science

The New Bible of Science, by Joseph J. Interland. The Christopher Publishing House, Boston, 1936. 264 pages, with charts and drawings.

The author of this book, which he calls the "Testament of Today," is a chiropodist of Italian birth who has for years had dreams and visions regarding religious life, his duty and the general facts and phenomena of what he chooses to denote as "science". In the foreword he declares his book has been written "under Divine Guidance and Dictation."

The volume is a strange intermingling of rhetoric, anecdote, narrative, prophecy and pseduo-scientific jargon.

A few paragraphs will serve to show the nature of the context.

"To my way of thinking, wars of any kind are never justified. They are permissible only in accordance with Divine Will, when a class of people or a nation becomes oppressed by those in power. National or International, Civic or Political wars are initiated by the Heavens to curb the oppressor, and to enlighten and better the conditions of the oppressed. A revolution is an evolution in a cycle of life's pollution . . . . Mussolini's Fascism is human and holy in principle, and he has already taken great strides toward the attainment of the Utopia. Italy, with the remaining nations of the World, will lend itself wholeheartedly to the formation of the Holy Utopia of Man. Mussolini has assisted in spreading the Roman Catholic Empire over the face of the earth, and the teachings of Christianity will rule here as long as the earth continues to exist . . . The spiritual world is a conglomeration of brilliant, tawdry colors; a brilliancy imperceptible to the human eye. Every particle of mass that constitutes the magnetic globe varies continually in color and brilliancy because the surface is in perpetual motion, the motion of contraction and expansion. This motion of the surface of the globe is caused by internal heat, combustion of the Sun, and the shooting pressure of the far-reaching flames and the motion force of the elements of matter and electricity, forming the Universe and the magnetic Cycle . . . . If man could understand the reaction of a plant's emotional force, he could readily understand the energy of the thought of the plant. In other words, it would be possible to speak with plants if we could coordinate the energy of thought . . . . The Blue Sky is produced by the spinning of the Sun, which causes the elements of the Universe to whirl in a screw-like manner. They take the shape of megaphones or bells. The two domes of the Universe are formed in this likeness, and they extend for many billions of miles. They constitute the negative field of the Universe, where the negative pressure originates. By exertion of the various forces of gravity, the planets are carried in their orbits, and the negative charges which cause the planets to revolve on their axes are imposed."

There are numerous charts and drawings illustrative of the theories which the author propounds. The general effect of the book is to confirm one in the opinion that it has probably been written by a mystic greatly influenced by dreams, the Catholic faith, Christian Science, and a slight knowledge of astronomy and electricity. When the author attempts to express his creed at the close of the book he writes a page and a half of irrelevant description and closes with these two short paragraphs:

"The very knowledge that the soul is eternal and that whatever happens to the body during our short life on the planet Earth is of little consequence and effect to the Soul, should redict anyone on the road to happiness.

"A contented pursuit of life with no ill intent toward others is the right path toward a successful life. God did not create sin, but He did give every Soul the right to life, liberty and the pursuit of happiness. No one has the right to interfere with another's just enjoyment of these blessings in his own sphere."

G. B. S.

A Novel with a Widow as the Heroine

Morning Glory, by Lucy Poate Stebbins. The Penn Publishing Company, Philadelphia, 1936. 304 pages.

An attractive widow, Evelyn Burrage, who is thrown out of her niche in life by her father's sudden marriage to her best woman friend, is the heroine of this somewhat ingenuous novel. The widow's daughter, too, weds an impecunious youth so that in a short space of time the charming widow, penniless, finds her dependents provided with other interests and no longer ready to accord her the central place in their lives. Evelyn becomes housekeeper for Nigel Morland, a story-book father, with a daughter who is even more story-bookish than her parent.

This girl, Lotos, is exotic and in her Japanese Caroline-Island outlook at times tries our patience. But in the end we know just what will happen: the money-minded secretary is foiled and of course Evelyn and Nigel find happiness in each other. A dull evening will pass easily with this book but its story will not rouse many lasting thoughts nor plough deep furrows in one's brain.

G. B. S.

The Present Status of Chinese Women

An interesting account of the status of Chinese woman from early times to the present is given by Jen Tai, a research fellow of the Council of International Affairs, in the latest issue of the *Information Bulletin*. The writer refutes the general allegation that women in China had been suppressed in ancient times and gives a number of concrete illustrations to prove that they lost their freedom only during the last few dynasties, say, for a period of less than 1,000 years. Many outstanding women, in history as well as in present-day China, are cited by him in eulogizing China's womanhood. Original quotations from various women leaders are produced to give their own points or view regarding not only their own position in society, but also aspects of the fundamental philosophy of life. According to Mr. Jen, the outlook for the new woman in China is very bright. The *Information Bulletin* is published by the Council of International Affairs, 1 San Tiao Hsiang, Drum Tower, Nanking.

High Chinese Officer Marries Sweetheart of Half a Century Ago

Engaged fifty years ago, Chen Min-pa and Miss Nieh, were married only recently, being now 68 and 61 years old, respectively. Shortly after their engagement, Chen had a quarrel with his father and ran away from his native town of Changhsing in north Chekiang, to work his own way in the world. He enlisted as a soldier and gradually rose until now he is a high officer in the Kiangsi Army. Believing him dead, the girl's family repeatedly urged her to get married to another man, but she insisted on keeping her promise so long as her fiance's death was not confirmed.

Recently, Chen returned to his native town for a visit. He found that the lapse of fifty years had wrought a number of changes. His parents were dead, and only a few relatives and friends remained, who hardly could recognize him. The long years, however had not changed the mind of his financee, now an aged woman. Living alone in a little cottage, her parents having died, she had eked out an existence by weaving and sewing, but still was patiently waiting for her lover's return. The two are now happily married.

Communications Between Sian and Outside Areas Resumed

After having been cut off from the outside world for four days since the outbreak of the revolt last Saturday, communications between Shensi and other cities, including Peiping, Chengchow, Nanking and Shanghai were resumed. Dec. 16. With the exception of freight service which is still being affected by shortage of rolling stock, both express and ordinary passenger service along the Lunghai Railway is now running on crippled schedule.

Telegraphic communications between Sian and Peiping were fully resumed at 5 o'clock p.m. Dec. 15, messages being relayed through Chengchow, where censorship is being enforced.

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No. 2018
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December 15, 1936.
William T. Collins, Clerk.
L. T. Kenake, Asst. clerk.

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Joint Press Manifesto Issued by 157 Chinese Newspapers

One hundred and fifty seven vernacular newspapers and news agencies all over the country have jointly issued a manifesto to the nation, expressing their views in regard to the present political crisis arising from the Sian revolt staged by Gen. Chang Hsueh-liang and his subsequent detention of Gen. Chiang Kai-shek, president of the Executive Yuan and chairman of the Military Affairs Commission.

The signers represent practically the entire Fourth Estate in 25 provinces and cities, namely Honan, Hunan, Kiangsi, Suiyuan, Hopei, Kiangsu, Kwangtung, Hupeh, Szechwan, Yunnan, Chekiang, Fukien, Anhwei, and Shantung provinces, and Tientsin, Shanghai, Nanking, Peiping, Canton, Hankow, Hangchow, Anking, Changsha, Tsingtao cities, and Hongkong.

This was the first time in the history of China that the opinion of the press has been mobilized to express its views on a political situation.

Advancing three points for the consideration of the people, the declaration of the Chinese Fourth Estate, while pledging its loyalty to the Generalissimo, exhorted the entire nation to give their unwavering support to, and firm confidence, in the National Government.

The first point it suggested is that in order to preserve the existence of the nation, it is imperative that the intelligence and energy of the entire people be rallied under one unifying force so that all national and international issues may be pursued along a fixed policy.

The National Government, the statement continued, has proven to be a governing body which takes the welfare of the people at heart, and therefore, deserves the full support from the people.

Secondly, the declaration asked the people to pledge their full support to the Generalissimo, who, it said, has consolidated the strength of the government, readjusted the morals and life of the people, brought about a system of national defense and given the nation an organized government.

It declared that whoever designs to do personal harm to the Generalissimo is the traitor and enemy of the 400 million people, and descredited the belief that Gen. Chang Hsueh-liang will dare do him harm.

"Today we appeal to the whole nation to place Gen. Chang Hsueh-liang under their moral surveillance", the pronunciamentio said. "And today we mobilize the whole Fourth Estate of the world to determine the position of the 'Young Marshal', urging him at the same time to liberate Gen. Chiang Kai-shek so that the latter may carry on the duties of the state."

Stressing the high esteem in which Gen. Chiang is being held in China, the declaration said that the strength of the Generalissimo is the heart of the 400 million people, and the background in which he works is the 5000 years of Chinese civiliation.

Thirdly, the manifesto suggested that at this time of utter confusion, the Government should not waver one inch from the guiding principles as laid down by the father of the Chinese Republic, Dr. Sun Yat-sen.

Concluding, the manifesto placed confidence in the people in showing a spirit that is in accord with the Government's principles and in giving support to the Central authorities in quelling the revolt.

It also believed that public opinion will be on a united front to judge all kinds of false principles which are to the detriment of the nation.

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Stock Exchange— Business Done:-

Total Volume: 2,480,000 Shares

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15⅝	9⅝	0.20	Adams Express	14⅞	14¾
137½	115⅝	4.00	American Can	114⅝	115¼
40⅝	29¼	0.30	Amer. Cyanamid "B"	33⅝	34
9⅝	6½	—	American & For. Power	7⅞	7⅝
56½	29⅝	—	American & Foreign Pwr. $7 pfd.	58	57⅞
27⅝	18⅝	0.15	American Radiator	24⅛	26⅝
189¼	149½	9.00	American Tel. & Tel.	187¼	186¼
104	88⅛	5.00	American Tobacco "B"	96⅝	96½
27⅝	19¼	0.20	American Waterworks	26¼	27⅛
54¾	28	0.50	Anaconda Copper	53¼	53⅝
88½	59	2.00	Atchison, T. & S. Fe	72	71⅝
54¼	26⅝	—	Auburn	33	32⅜
26⅛	15⅞	—	Baltimore & Ohio	22	22
76	45⅝	—	Bethlehem Steel	75	75⅝
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186	92½	—	Case, J. I.	150	151
48	34	1.40	Chase National Bank	45	45⅝
100	59	3.00	Chesapeake Corp.	87½	87
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54⅝	32½	1.00	General Railway Signal	54⅝	53⅝
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45	28¼	1.00	Pennsylvania Railroad	41⅛	40⅞
49⅜	38⅛	1.00	Phillips Petroleum	47⅜	48¼
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18	14⅜	0.80	Standard Brands	15½	15½
9⅜	5¼	—	Standard Gas & Electric	9⅛	8⅜
70	51¼	1.00	Standard Oil Co. of N. J.	66⅜	67
78½	65	3.80	Sterling Products	71½	71⅞
44½	28	2.00	Texas Gulf Sulphur	39½	39⅝
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